



Daily Report

East Europe

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Buqi Reports Stabilization Measures to Assembly

*AU3007135791 Tirana ATA in English 0756 GMT
30 Jul 91*

[Text] Tirana, July 30 (ATA)—On July 29 before noon the deputies to the People's Assembly listened to a report by the prime minister Ylli Buqi on the statement of the Council of Ministers for actual problems worrying the people at present and the measures the Government of Stability has adopted for the future.

In the afternoon, the prime minister responded to the questions of the deputies. Then the deputies passed onto discussions on the report by the premier. In general the deputies of the Socialist Party and the Democratic Party stressed the need for powerful support of the Government of the Country's Stability. Remarks were made for the quicker reorganization of some ministries, especially the Ministry of Public Order and National Intelligence Service, etc.

At the end of the contributions the deputies agreed on compiling a resolution for the support of the Government of the Country's Stability. Then the chairman of the Parliamentary Commission on the activity of the Reception's Department Gjyl Brahim and the minister of finances, Genc Ruli, reported on the activity of this department, the violations and abuses made by former high-ranking party and state leaders.

The People's Assembly will continue its proceedings on July 30 before noon.

Buqi, Pepa, Pashko Brief Local Officials

*AU3007141091 Tirana ATA in English 0842 GMT
30 Jul 91*

[Text] Tirana, July 30 (ATA)—The Presidency of the Council of Ministers had a working meeting with the presidencies of the executive committees of the district people's councils on July 29.

The premier Ylli Buqi made an expose of the current political, economic and social situation at home. He underscored the main moments among the numerous and delicate problems the National Stability Government as well as the state power organs in the base are facing. In particular, Ylli Buqi dwelt on the important role these organs should play in overcoming the crisis of confidence, the return of the people to work, the restoration of public order and tranquility. He assessed the reorganization of the executive committees on the basis of the representation of all the political forces as a very important measure.

The vice-chairman of the Council of Ministers, Zydi Pepa, reported on the content and ways of applying the Law on Land and the government decisions arranging the economic and financial relations in the countryside.

The vice-chairman of the Council of Ministers and minister of economy, Dr. Gramoz Pashko, gave explanations on some key problems of the economic reform, which is being prepared by the government.

Council of Ministers Statement on District Changes

*AU3007190991 Tirana BASHKIMI in Albanian
24 Jul 91 p 1*

[Statement by the Council of Ministers' Press and Information Department issued in Tirana on 24 July: "Bills and Decrees"]

[Text] Yesterday, on 23 July 1991, the Council of Ministers held a meeting at which a number of decisions were made and various bills were discussed.

The Council of Ministers discussed the bills "On Social Support for the Unemployed," "On Labor Relations," "On Ways of Establishing Collective Labor Contracts Between Trade Unions and Employers," etc.

It also decided on changes in the administrative divisions of the Republic of Albania, as follows:

- The district of Kavaje is created.
- The region of Has is created, centered on the town of Krume.
- Some villages in the districts of Berat and Elbasan are divided.
- The city district of Shkoze is created within the city of Tirana, including the upper part of Shkoze.

Another decree relating to the creation of the Government Land Commission appoints the commission's 19 members. Zydi Pepa is appointed chairman, Nexhmedin Dumani deputy chairman, and Resmi Osmani secretary.

The Council of Ministers, acting on the law "On the Creation of Provisional Pluralist Executive Committees," approved the composition of committees in five more districts, and appointed their officials as follows:

1. Vlore District: Mezan Malaj, chairman; Agim Kadiu, deputy chairman; Petraq Papajorgji, secretary.
2. Korce District: Ilir Manushi, chairman; Hekuran Pupa, deputy chairman; Ali Jashari, secretary.
3. Fier District: Davor Cano, chairman; Bujar Neprevisha, deputy chairman; Vangjel Prifti, secretary.
4. Pogradec District: Niko Tasellari, chairman; Bardhyl Lipo, secretary.
5. Kolonje District: Adil Kaja, chairman; Eduard Sheko, secretary.

Radio Shkoder Broadcasts Trial of Police Chiefs*AU3007141191 Tirana ATA in English 0846 GMT
30 Jul 91*

[Text] Tirana, July 30 (ATA)—On July 29, the trial on the April 2 events in Shkoder, to judge the penal case against the defendants Capajev Taci (former head of the Interior Affairs Section of the district), Dilaver Papari (former chief of the district police), and Gjeke Celaj (former vice-chief of the district police) began in the Republika Cinema of Shkoder city. They are charged that: Being heads of the Interior Affairs Section in Shkoder, in collaboration, they have perpetrated actions which run counter to the regular accomplishment of the duty, as a result of which four people were killed, 57 people were injured through firearms and other means and there occurred deliberate damage of the state wealth to the tune of 3,760,183 leks.

The case is tried by the military body of the District Court, headed by the member of the Supreme Court, Qazim Gjonaj.

The prosecutor Viktor Thomo read out the indictment raised against the defendants accused of the crime of duty abuse.

The defendants said that they understood the indictment, but opposed it. Then they gave their explanations on the case.

The legal sitting was broadcast by Radio Shkoder directly.

The other sitting opens on July 30.

Recognition of Republic of Kosovo Urged*AU2607091491 Tirana KOSOVA in Albanian
21 Jul 91 p 1*

[Editorial: "Ramizism in Recognizing the Republic of Kosovo"]

[Text] When E. Hoxha was leading the country 1981, it took one month to support (with propaganda) the demand for a republic; now that R. Alia leads the country, it is taking more than one year to recognize this republic itself. Will we have to wait a century before establishing interstate and governmental relations between the two Albanian republics?!

The smiling photograph (printed in the most recent issue of the newspaper KOSOVA) alongside the letter "full of concern" that the president sent to leading personalities in world politics expresses the ambivalence of his now long-discredited policies, the weasel policies of what the people call Ramizism.

The letter is full of ideas that show a slant toward and common features with East Slavic policies. It states that Albania and the Albanian people "are fully united with the efforts the European states and great powers are making to achieve a peaceful and democratic solution to

the crisis in Yugoslavia." What great powers can one mention apart from the European states? Without doubt, the only ones that can be mentioned are the United States and the Soviet Union. This gives rise to a series of questions. What efforts is the Soviet Union making for a peaceful solution to the crisis in Yugoslavia? To what extent is the Soviet Union committed to a fair solution to the Albanian question? Why are the stands of the Soviet Union and the United States equated and lumped together? Since when has Russia decided to abandon Serbia and support the Albanian cause like the other great power, the United States? Does the president have any evidence for such an equation? Why has the Albanian public not been informed about Russia's attitude to the demands of Kosovo, or even of the fact that Albanian intellectuals and political organizations in Kosovo long ago made their tragedy known and sent petitions to Gorbachev and received no positive answer from him? Meanwhile, Russia is portrayed as struggling for a peaceful solution to the crisis in Yugoslavia, which implies a fair solution to the Albanians' demands.

If the president does not reply to these questions publicly and with evidence, his thesis equating the U.S. and Soviet stands to the Albanian cause indicates more than ties of nostalgia with Russia.

The letter also states that "we at the same time support the right to self-determination and human rights, on the basis of the principles embodied in the Helsinki Final Act, the Paris Charter for a new Europe, other CSCE documents, and the UN Charter." There are only two standpoints toward the solution of the Albanian tragedy in Kosovo: respect for the human rights of Milosevic or victory for the national rights of the Albanians in Kosovo. Ramiz Alia supports human rights.

The president goes on to mention the violation of the national rights of the Albanians in their own lands in Yugoslavia, but never comes out explicitly in defense of national rights as he does in the case of human rights. It might be said that these are implied. Why then not leave human rights implied, instead of national rights?

There are many ideas of this kind, but we have placed the letter in readers' own hands, so that they may study it themselves. The important thing is that he himself did not write this letter, even though Kosovo long ago sought his intervention as president of Albania with international personalities and organizations. He remained silent even in the days of conflict when there was a danger that chauvinism would hurl itself against Kosovo, although he went quite near the place, to Kukes, a few days later. It was left to the Austrian foreign minister to draw the attention of the European public to Kosovo as a flashpoint where a future conflict would erupt, although this role belonged first of all to the president of Albania. Only when the press subjected him to harsh criticism and asked him to resign did the president remember to play the Kosovo card.

Anyway, the letter, objectively, had a positive effect. Some opposition parties who had left the national cause in second and third place, and whose press carried few articles about this part of the nation, placing them alongside other foreign reports or in barely visible places, took alarm lest the president should seize this card that holds high political credibility among the people, and publicly announced their recognition and support for the Republic of Kosovo. This paved the way and sowed the ground for its recognition by the People's Assembly.

But did the People's Assembly recognize the Republic of Kosovo?

No, the adopted resolution asserts no such thing. It merely asks for Yugoslavia to recognize the republic and appeals to international organizations and the parliaments of the world's states to commit themselves to a peaceful and democratic solution to the disagreements among the nations of Yugoslavia. The Republic of Kosovo is to be equal to others, but it is not stated that it is recognized. We can find exactly the same attitude that is expressed in this resolution if we turn back to the articles of ZERI I POPULLIT 10 years ago, and especially to the article, "The Demand for a Recognition of Kosovo's Status as a Republic Is a Just One" (ZERI I POPULLIT 17 May 1981). It is formulated precisely in the style of Ramizist policies, and could be taken for recognition, but in reality is "neither fish nor fowl, neither direct nor indirect," and is no such thing.

It is not a question of whether Yugoslavia, Serbia, or any other state will recognize the Republic of Kosovo, but whether its "kin" state recognizes it. If it does, there can be no mysterious excuse, for the sake of "high politics," why this should not be openly expressed in the resolution: The People's Assembly of the Republic of Albania recognizes and respects the declaration of independence announced on 2 July 1990 and the Constitution announced in Kacanik on 7 September by the legitimate and elected assembly and government of Kosovo. The People's Assembly entrusts the Albanian Government with the task of drawing up as soon as possible a draft agreement for fraternal cooperation with the Kosovo Government and the establishment of the closest possible relations between the two Albanian republics and states, etc., etc. Then one can demand recognition from Yugoslavia, Serbia, and whoever else. However, nothing of this kind emerges from the resolution.

The establishment of state and governmental relations between the two Albanian states would significantly shift the destiny of the nation from the hands of the world into our own hands. By delaying their decision, the Albanian Government and state are playing a dangerous game with this destiny and with a decisive historical opportunity. Nothing can be a substitute for these relations, not even interparty relations, however close and regular they may be.

Article Criticizes High Expectations of U.S. Aid

AU3007151391 Tirana ZERI I POPULLIT in Albanian
26 Jul 91 p 1

[Astrit Nuri article: "Remembering Susan Baker's Soup"]

[Excerpts] Unlike many others, I personally was not disappointed by Baker's visit to Albania. I say this because, as we know, there are many people who say, "And what did Baker do for us?" Matters went so far that, on the day of the rally, there were many young lads in the front rows who shouted, before the U.S. secretary of state began his speech, "Oh uncle, open your wallet, and then speak!"

Let us leave this to one side.

The reason why I, unlike others, was not disappointed, is purely and simply the fact that it has always been clear to me that the United States, a highly democratic country in all senses, does not recognize or pursue the policy of free handouts for persons or a people who sit twiddling their thumbs. The United States does not share this kind of social or human psychology. It recognizes social assistance. It gives you a bowl of soup when you are hungry, on your uppers, and penniless.

It was on the basis of precisely this idea that I wrote an article in PASQYRA three or four days before Baker's visit to Tirana, with the title "Susan Baker's Message." I was prompted by an article in a French magazine, from which I learned that Baker's wife Susan is a worker for two American charities and distributes free soup to people in straitened circumstances.

To tell the truth, I wrote the article in PASQYRA for two reasons: First, to congratulate this kind and modest lady, regardless of the fact that she is the wife of a great statesman; and second, to remind some people that "Susan Baker will only give you a bowl of soup. Don't expect anything else." What followed is well known. So true is this that when our security officer Agron who accompanied Mrs. Baker on her visit to Kruje asked whether Baker would give anything to Albania, she said:

"A friend or neighbor may give you a meal, but you must realize that it will be hard for you if you don't work."

So much time, so many months have passed, and we still do not want to realize this! We obstinately refuse to return to work. How many people have told us this truth, and given us this piece of advice! Experts with their wise words, the various political personalities who have visited our country, businessmen, and ambassadors who have recently appeared on television and spoken with modesty about the experience of their own countries, as

the Hungarian ambassador did recently, have all said this. Nevertheless, our people, unfortunately and amazingly, have lost the habit of work. [passage omitted]

The truth is that we must all make a commitment and mobilize ourselves. This is for two reasons. First, we are tightening our belts, living worse, and growing poorer every day. Perhaps we will realize this when the tomatoes run out. Second, as true patriots and Albanians, we must concentrate on the fact that theft, looting, murders, and unemployment are ruining our good name, not only at home, but abroad. Listen to what those who travel abroad say about us. Listen to what they used to say and what they say now. Do you think the world does not

know what is going on in Albania? Do you think people do not know about the thefts, looting, assaults, murders, and unemployment? They know perfectly well, and I will illustrate this with a "small" detail.

As we know, when Mr. Baker came to Tirana, his first visit was to the capital city's mosque. He went inside and removed his shoes, according to the rules of religion. But do you know what happened? An American security officer immediately rushed up and picked up Mr. Baker's shoes. So, do you think they are not aware of the situation here? Thank God, nothing happened. Otherwise, the world's newspapers might have carried reports under the headline "Baker in His Stocking Feet in Tirana."

U.S. NATO Representative Taft Meets Zhelev

*AU3007195091 Sofia BTA in English 1843 GMT
30 Jul 91*

[Ognyan Branichev report]

[Text] Sofia, July 30 (BTA)—The first results of the cooperation between Bulgaria and NATO could be expected in the next few months, Mr. William Taft, U.S. permanent representative to NATO, told Bulgarian President Dr. Zhelyu Zhelev at their meeting today. Mr. Taft and U.S. Ambassador to Bulgaria Hugh Kenneth Hill, who was also present at the meeting, confirmed the readiness of NATO and the United States to guarantee Bulgaria's security and territorial integrity. U.S. Vice President Dan Quayle and NATO Secretary General Manfred Woerner made similar statements during their visits to Bulgaria earlier this year.

Dr. Zhelev assessed highly Bulgaria's relations with NATO and the United States and said that he is pleased with his guests' positions on security problems.

Mr. Taft, who has been working on the problems of military policy for ten years now, stressed that the bulk of NATO activities are non-military. Mr. Taft explained that Bulgaria would be granted access to a number of NATO civilian programmes and to technologies. Mr. Taft said that the cooperation with NATO would further advance the democratic process in Bulgaria.

The sides discussed a number of regional problems. Mr. Hill recalled statements made by U.S. Vice President Dan Quayle and by Dr. Woerner that the United States and NATO are committed to the Helsinki Final Act which concerns the territorial integrity of the European countries. Mr. Hill said that the United States would defend Bulgaria's territorial integrity and drive for freedom.

The sides discussed the problem of the build-up of Turkish troops in eastern Thrace. Mr. Taft stressed that this problem would be solved with the improvement of Bulgarian-Turkish relations. The guest said that he had never before realized the nature of the Bulgarian apprehensions as regards the Turkish troops. Mr. Taft assured the Bulgarian president that NATO had gained considerable experience in improving relations between neighbouring countries and that is ready to share it if necessary.

Mr. Taft told the Bulgarian president about a breakfast at which he, Vice President Dan Quayle and Manfred Woerner had discussed Bulgarian hospitality instead of conferring on strategical problems. Mr. Taft said that now he is convinced that Bulgarian hospitality really exists.

Meets Vulkov, Minchev

*AU3007202791 Sofia BTA in English 1927 GMT
30 Jul 91*

[Ognyan Branichev report]

[Text] Sofia, July 30 (BTA)—Mr. William Taft, US permanent representative to NATO, who is visiting Bulgaria discussed the problems of European security, regional problems and the relations between Bulgaria and NATO with senior Bulgarian officials. Mr. Viktor Vulkov, Bulgaria's minister of foreign affairs, and Col. Gen. Radyu Minchev, first deputy minister of defence and chief of the general staff of the Bulgarian Army, assessed highly Bulgaria's relations with NATO. According to Mr. Vulkov, the forthcoming visit of Bulgarian President Dr. Zhelyu Zhelev to NATO Headquarters scheduled for the autumn is an indication that the relations between Bulgaria and NATO are deepening.

Gen. Minchev acquainted Mr. Taft with the changes in the Bulgarian Army and said that it is a guarantor of the democratic changes in the country. Gen. Minchev dwelt on Bulgaria's relations with the neighbouring countries. Bulgaria will under no circumstances take advantage of Yugoslavia's present plight, Gen. Minchev said and added that unlike other countries Bulgaria's Army had not been put on heightened alert.

Gen. Minchev denied allegations that Bulgaria has delivered arms to Slovenia and Croatia. He emphasized Bulgaria's position that the Yugoslav people themselves should choose the form of government and determine the nature of the relations between the republics.

Gen. Minchev elaborated on the active military contacts between Bulgaria and Greece and on the steps that had been taken to normalize Bulgaria's relations with Turkey. Gen. Minchev raised the problem of the massive build-up of Turkish forces in Eastern Thrace.

The Bulgarian side expressed this country's desire to conclude bilateral cooperation and non-aggression agreements with the Balkan countries, the former Warsaw Pact countries and the NATO countries.

As regards the SS-23 missiles stationed in Bulgaria, Gen. Minchev said that they are Bulgarian property and that they were bought before the signing of the US-Soviet treaty on medium- and short-range missiles. At present Bulgaria has 24 SS-23 missiles with conventional warheads and 6 launching sites.

Mr. Taft said that Bulgaria should not look upon Greek and Turkish forces as a threat. The guest supported Bulgaria's idea for hosting an international conference on the problems of conversion with the participation of NATO experts. The conference will tackle these problems not only from the point of view of the East European countries but also from the point of view of the Western states. Mr. Taft also expressed his support for Bulgaria's intention to hold round-table talks on regional security issues. Bulgaria was invited to take part in a

seminar on civil defence. The seminar will be organized by the United States within the framework of NATO.

Mr. Taft had talks with Mr. Filip Dimitrov, leader of the opposition Union of Democratic Forces (SDS) and discussed with him topical political issues and the SDS prospects after the scheduling of general and local elections for September 29. Tomorrow Mr. Taft will leave the country.

Zhelev Adviser Rejects Soviet Military Treaty

AU2807133691 Sofia BULGARSKA ARMIYA
in Bulgarian 23 Jul 91 pp 1,2

[Interview with Zdravko Popov, adviser to the president of the Republic of Bulgaria, by unidentified reporter; place and date not given: "Democracy and One-Man Command"]

[Excerpt] [passage omitted] [BULGARSKA ARMIYA] Is it possible for a difference of views to exist within the Army hierarchy on issues of importance for our national security? Recently various mass media have commented in various ways on the difference in the views between President Dr. Zhelyu Zhelev and Colonel General Radnyu Minchev, chief of the Bulgarian Army General Staff, on the new Bulgarian-Soviet treaty.

[Popov] When strategically important issues concerning our national security and political priorities crop up, it would be a great pity if such differences existed. This does not mean that differing proposals and views cannot exist among the Army leadership, but they should be discussed and coordinated, and a clear and well-thought-out decision should be sought without fail. Otherwise, one leaves the impression that the idea of one-man command in the Army is being questioned, with the aim of destabilizing the Army.

At the news conference in the Military Club, the statement made by Col. Gen. Radnyu Minchev, chief of the Bulgarian Army General Staff, did indeed cause a journalistic sensation. I refer to the necessity of the "notorious" military clauses in a future treaty between Bulgaria and the Soviet Union. Comments were made by organs of the mass media with different leanings, ranging from "EDINSTVO," the newspaper of reservist officers, to the world-famous BBC Radio, not to mention the surprise the statement caused in diplomatic circles, and the many questions asked about it.

I do not want to discuss the personal motives for such a statement, but it is clear that the official position of Bulgaria on such questions is that held by Dr. Zhelyu Zhelev, the president of the Republic and supreme commander in chief. This position has been stated publicly and in many different speeches, and is a clear and categorical one: Bulgaria has no intention of concluding a treaty with the Soviet Union that contains military clauses. I want to emphasize that this is in no way due to any kind of anti-Soviet attitudes, but is based on a carefully thought-out modern view of our national

security and foreign policy. In statements made to BULGARSKA ARMIYA, Dr. Zhelev has on more than one occasion defended the thesis that the security of a small country like Bulgaria cannot be guaranteed by any one great power and that the guarantees for our national security must be sought in the system of collective security of a Europe that is undergoing integration. Our national interests today make it necessary to make a much more complex choice than a simple connection with a single country. [passage omitted]

Minchev Receives Foreign Military Attaches

AU3007143591 Sofia BULGARSKA ARMIYA
in Bulgarian 24 Jul 91

[Text] On 23 July, in the Central Military Club in Sofia, Colonel General Radnyu Minchev, first deputy minister of defense and chief of the Bulgarian Army General Staff, met the military attaches accredited at the foreign embassies in Bulgaria.

Col. Gen. Minchev expressed regret that the dynamic pace of events, the changes in the country, and his busy schedule had not permitted him to meet with the military attaches more frequently.

Minchev briefed the military diplomats on the visit by President Zhelyu Zhelev, Prime Minister Dimitur Popov, ministers, and leaders of the main political forces to the Third Army, describing their satisfaction and high assessment of the results of the exercise that they observed.

Later Minchev spoke on the basic premises in our new military doctrine. It was stressed that the General Staff started work on the new doctrine as long ago as 1989, and that the doctrine conforms to the new realities in Europe, the Balkans, and Bulgaria. It was discussed at different levels, in the Collegium of the Ministry of Defense and in the National Security Council, and representatives of the Ministries of Defense, Foreign Affairs, and Internal Affairs took part in drafting the doctrine. The doctrine was submitted to the National Security Council on 27 June 1991 and is strictly defensive in nature.

Minchev briefed the military attaches on the main aims of the doctrine and the contents of the section dealing with military equipment.

Minchev expressed his satisfaction with the visit of the military delegation he led to Turkey in early July. He discussed the proposed trilateral meeting of chiefs of the Army General Staffs of Bulgaria, Greece, and Turkey, as well as meetings of the chiefs of the General Staffs of the armies of all the Balkan countries and of the commanders in chiefs of the navies of the Black Sea countries.

Minchev's address also touched upon issues connected with creating a military police and the first celebration of the new Bulgarian Army Day—23 August.

Questions on the changes in the Bulgarian Army, the future military police, and solving the problems connected with rear services support following the dissolution of the Warsaw Pact were asked by the following military attaches: Colonel Albano from the Italian Embassy, Colonel Barske from the German Embassy, and Colonel Hunyadi [spelling of name as received] from the Hungarian Embassy.

Minchev gave detailed and exhaustive answers. In reply to a question from Colonel Handley of the U.S. Embassy as to whether there was any coordination between the exercise at the Novo Selo testing ground and the Navy exercises held at the same time, he replied that there was no coordination. Col. Handley asked the chief of the Bulgarian Army General Staff to convey his thanks to the servicemen who helped him following trouble with his private car.

Vice Admiral Kir Georgiyevich Lemzenko, doyen of the military attaches, expressed thanks on behalf of all those present for the comprehensive discussion.

Tomov Talks With Minister Guigou in Paris

AU3007173291 Sofia BTA in English 1641 GMT
26 Jul 91

[Text] Paris, July 30 (BTA)—Bulgaria can no longer be considered a "second-rate" democracy because the democratic process in it deserves respect, according to Ms. Elisabeth Guigou, minister delegate of European affairs attached to France's minister for foreign affairs. She expressed this view at an hour-and-a-half meeting today with Bulgarian Deputy Prime Minister Aleksandur Tomov, who is visiting France at the head of a delegation.

The host stressed Bulgaria's part as a factor of stability in the Balkans and expressed support for its reserved policy and help for discussions between the sides to the Yugoslav conflict with a view to its peaceful settlement. Mr. Tomov expressed Bulgaria's principled stand that it will join any EC initiative aimed at settling the crisis and that it will not take advantage of the conflict under any circumstance.

Mr. Aleksandur Tomov set forth Bulgaria's views on its joining the European structures. The French side expressed its support for the Bulgaria's faster integration into them. Before that Mr. Tomov met with Mr. Uri, director of the Waterways General Company, the third biggest in France. They discussed opportunities for cooperation in environmental affairs, in the conservation of water resources, and power engineering.

Mr. Tomov met with deputies of the French Socialist Party to discuss the development of the European left wing, democratic processes in Bulgaria and the general political situation.

Later today Mr. Tomov will meet with representatives of great banks, finance and business groups.

Mr. Tomov will meet afterwards with Mr. Gilles Menage, chief of the President's Office, at the Elysee Palace.

Embassy in Belgrade Denies Arms Provision Charges

AU3007075791 Sofia BTA in English 1931 GMT
29 Jul 91

[Nikola Kitsevski report: "Unfounded Charges Against Bulgaria"]

[Text] Belgrade, July 29 (BTA)—"Lately some of the publications released by the POLITIKA Publishing House have been carrying features in which, without any reason whatsoever, in one or another way the Republic of Bulgaria is accused of interfering in Yugoslavia's internal affairs. This gives ground to believe that somebody is seeking to deliberately include Bulgaria in the group of the so-called enemies of Yugoslavia and to artificially create tension between the two countries," it is said in a letter sent by the Bulgarian Embassy in Belgrade to the POLITIKA Publishing House. The letter was prompted by an article headlined "Train Carrying Military Equipment From Hungary Stopped" brought out in the Serbian POLITIKA paper on July 27 in which Bulgaria is accused once again, alleging it was involved in providing Slovenia and Croatia with armament.

The letter stresses that such publications could only thwart the further advancement of Bulgarian-Yugoslav relations. At the same time it is brought to the attention of both the authors of the articles and the people they were prompted by into writing them that besides the official refutation and the embargo imposed on the sales of military equipment and armament to Yugoslavia, Bulgaria is the only neighbour of Yugoslavia which has not taken and is not implementing any preventive military or other measures in connection with the tragic events in Slovenia and Croatia.

Foreign Ministry Warns Against Travel to Croatia

AU3107111991 Sofia DUMA in Bulgarian
26 Jul 91 p 1

[DUMA PRESS report]

[Text] The complex situation in the territory of Croatia continues, the Ministry of Foreign Affairs' Consular Department announced. The department and the Bulgarian Embassy in Belgrade recommend that Bulgarian citizens refrain from traveling or passing in transit through this region of the SFRY.

In the case of commercial road vehicles, their managements need to contact directly the Belgrade agent of the International Road Transport Economic Trust for information.

Due to continuous incidents involving firearms, road and rail traffic is frequently interrupted. This situation presents a serious danger to the safety of citizens passing through this region.

Zhelev Receives Romanian Minister Valeriu Pop*AU3007195291 Sofia BTA in English 1933 GMT
30 Jul 91*

[Text] Sofia, July 30 (BTA)—Today Bulgaria's President Dr. Zhelyu Zhelev had talks with Mr. Valeriu Eugen Pop, minister of waters, forests and environment of Romania [title as received]. Mr. Pop informed Dr. Zhelev about the results from the Bulgarian-Romania talks.

Agreement With Romania on Environment Problems*AU3007171891 Sofia BTA in English 1612 GMT
30 Jul 91*

[Text] Sofia, July 30 (BTA)—“The Bulgarian and Romanian Governments are ready to take joint action and to participate in the working out of a project to solve the environmental problems of the Ruse-Giurgiu region,” it is said in a letter which the two countries sent to Mr. Thomas Garvey, director of the PHARE [Economic Reconstruction Aid for Poland and Hungary] Programme. The letter comes in fulfilment of the political conditions set by the European Community for rendering aid to the two states.

Today Mr. Dimitur Vodenicharov, Bulgaria's minister of the environment, and Mr. Valeriu Eugen Pop, minister of waters, forests and environment of Romania, signed the letter and handed it over to EC expert Jerome Woodford who was on a visit to Romania to study the environmental situation in the Ruse-Giurgiu region.

At their meeting today Mr. Vodenicharov and Mr. Pop discussed bilateral cooperation and the possibility for signing a Bulgarian-Romania convention on environmental protection. Mr. Pop was informed about the measures taken by the Bulgarian Government for ensuring the safety of the Kozloduy Nuclear Power Plant.

The two ministers agreed that more active business contacts should be established between Bulgarian and Romanian environmental institutions and that a joint working group should be set up to make all the necessary arrangements for holding a seminar on the problems of the Ruse-Giurgiu region by the end of October. The idea of the seminar was launched by the United National Environment Programme (UNEP).

Podkrepa Group Leaves Tripartite Commission*AU3007171691 Sofia Khorizont Radio Network
in Bulgarian 1450 GMT 30 Jul 91*

[Telephone report by Petur Donchev on session of the Tripartite Commission on Coordinating National Interests held on 30 July in Sofia—live]

[Text] I will start by stating that I am seriously disturbed—as indeed are my journalist colleagues and

others present in the great meeting hall where the Tripartite Commission was in session. The fragile bubble of social peace has burst, unfortunately. It burst because at today's session of the Tripartite Commission, passages were read from a secret shorthand report on a session of the political forces held in Sofia on 16 June [date as heard], with the participation of highly placed representatives of the Council of Ministers. For ethical reasons, I will not quote the names of the political leaders and members of the government, and hope against hope that the mass media representatives from the newspapers, journals, and television will not do this either.

However, Doncho Ivanov, deputy chairman of Podkrepa, had the following to say on this affair:

Before the journalists and the public, the government professes its support for ethics and equal rights, but in fact this shorthand report proves something completely different.

At the same time, Deputy Prime Minister Ludzhev leveled accusations against Podkrepa Chairman Dr. Trenchev. He said: You, Mr. Chairman, will bear responsibility both in Bulgaria and abroad. Those who raise their hands against the agreement for social peace will bear responsibility for this.

I would like to mention two items included on today's agenda: examination of a draft decree-order on a comprehensive assessment of working conditions and a list of job descriptions, prepared by the Ministry of Labor and Social Welfare, and discussion of a draft decree on amendments to the Council of Ministers Decree No. 47 of 1990 on deferring the effect of certain clauses in the Code of Regulations for Labor Classification on Retirement. These items were approved in principle, because they are supported by the signatures of members of the subcommissions, representatives of the two trade union confederations, and the experts representing the government. Accordingly, they were automatically removed from today's agenda.

Professor Krustyu Petkov expressed his regret at the action of the Podkrepa delegation, which—I repeat—walked out of the Tripartite Commission session.

The first thing to do is to verify the accuracy of the shorthand report and the extent to which it is secret. Who actually said what is not so important. In my view, and not only mine, what is important is that the Tripartite Commission—this pillar of the reform that until now has consolidated social peace—must continue. Only the future will show if this is to be the case. Nonetheless, I still voice the hope that some explanation may possibly be forthcoming—apologies of some kind, and so forth. Otherwise, everything is doomed to collapse.

I will end my report with the hope that, after a break, the Tripartite Commission will perhaps continue its work.

Zhelev 16 Jul Statement to Parties

AU3107090391 Sofia POGLED in Bulgarian
No. 29. 22 Jul 91 pp 8-9

[POGLED staff report providing "text" of statement by President Zhelyu Zhelev to representatives of political parties in the National Assembly on 16 July: "President Zhelev Urges: Let Us Be Reasonable"]

[Text] How can the escalating tension in Sofia and throughout the country, caused by an apparently uncompromising confrontation, be halted? The representatives of the political forces in the National Assembly, together with President Dr. Zhelyu Zhelev and Prime Minister Dimitur Popov, tried to answer this question during a four-hour discussion organized by the National Assembly Bureau on 16 July 1991.

The meeting was off limits to journalists, which is regrettable considering that many of those who attended later admitted that they were greatly impressed by the statement Dr. Zhelev made at the end of the meeting. "He spoke like a real president," National Assembly deputies from different political parties confirmed. This was also our own impression after reading the stenographic record of his statement. Considering that only sentences taken out of context, or summaries of President Zhelev's statement appeared in the dailies, we decided that it would be more correct to publish the full text of the transcript:

First of all, I was asked several questions, which I will briefly answer, and then proceed with a few words on the questions discussed.

Let us talk about my meeting with the 39 deputies [who walked out of the National Assembly and went on a hunger strike in protest against the Constitution]. Why were there kisses, embraces, and so forth? Well, the ladies tried to kiss me and I could not refuse, it would have been embarrassing.

My attitude toward that sort of protest is quite clear. I do not approve of National Assembly members who are using such unparliamentary methods of struggle because I am convinced that they would accomplish much more if they stayed in the National Assembly. There are much greater opportunities for activities in the National Assembly. I expressed this conviction in numerous conversations and meetings with them before they went on strike.

Why was Trenchev [chairman of the Podkrepa Labor Confederation] at the same meeting? Trenchev had come without my knowledge. This happened toward the end or in the middle of the meeting....

Why did I not go to see the other deputy who was on hunger a strike? [Member of Parliament Mikhail Nedelchev, who was on counter-hunger strike in support of the Constitution]. I think that he had just started his hunger strike and was not yet starving. You will excuse me for this joke.

I repeat that I do not accept such forms of protest, such methods of political struggle and it will presumably be necessary to point out this fact in a future declaration.

In my view, the most important thing is to preserve public order and civic peace in the country. All my efforts over the last days and weeks were aimed at this goal. Most of you have already attended numerous meetings, debates, and discussions on the problems. Actually, it is not the question of the 39 deputies that matters, it is not a question of how many supporters they can rally. They are not many. Even the number of those who are ready to come out in the streets and protest with violent methods is not significant, according to public opinion polls. However, there is a potential danger involved. We are living in a critical period. Our society is subject to a severe crisis and, as far as I can judge according to my own impressions and on the basis of other sources of information, I see many simmering hotbeds of tension that can easily be focused on one target and explode at a given moment. Only in view of this danger am I striving with all my efforts to find solutions of compromise for settling all sorts of problems likely to become a source of increasing tension and a scenario for a different development of processes. Such events would immediately interrupt the reform and automatically halt all foreign aid for our country. You are aware of this fact as well as I am. Such situations might also involve other kinds of unrest and force us to have recourse to dictatorship or to other forms of power.

I am in favor of a compromise as long as it is a reasonable compromise, a justified compromise, but I do not support unprincipled and illegal compromises that violate the Constitution or represent a breach of law. I would categorically oppose such kinds of compromises! Nevertheless, as far as political compromises that take the situation into account and are trying to find sensible solutions, are concerned, I have always supported them and I am always willing to support them. I am convinced that through such compromises we managed to avoid many traps in the recent past, and made sure that no blood was shed in Bulgaria in spite of everything.

I am convinced that the present tension will calm down in a few months. The adoption of the Constitution is an important factor. Frankly speaking, I was rather surprised that so much importance is attached to an opportunistic compromise in this connection, to a compromise that does not apply to the substance of the Constitution. The great, the most important fact is that Bulgaria has a new Constitution, that this Constitution is a democratic one, and that it is already in force. Every one of us may have reservations on it, may not agree with some paragraphs, or may be convinced that they could be or should be drafted in a different manner. I also have my reservations, but this does not change the substance of the democratic Constitution, the foundations of which are really democratic. The fact that some of its articles may be further improved, or amended, provides opportunities for future national assemblies which, if they are better and wiser, may also make the Constitution better.

As far as specific measures for the protection of civic peace are concerned, I also support Mr. Danov's actions. I am sure that one could not act otherwise under the circumstances. The other option would be to permit people to come here and attack the National Assembly building in an obviously premeditated action while the members are adopting the Constitution.

I was very shocked by what happened yesterday to Mr. Karakachanov [Sofia's mayor who was physically assaulted in the street]. I will perhaps mention this fact in my official statements with my specific comment.

I am convinced that we must do everything within our power so that the radio and television may begin to show some respect for state institutions. After all, they are state-owned media and they are not supposed to exert their own censorship, to reject, or to prevent the dissemination of official announcements coming from state institutions. This is inadmissible and would not be tolerated in any democratic country. The important question is how to bring things under effective control. I am personally convinced that if last year Bulgarian Television had not publicized the appeal of the youth Plamen Stanchev, who declared that he would set himself on fire, and if writer Radoy Ralin's appeal had not been read on television, a mass gathering of crowds would have been prevented and there would not have been any arson whatsoever. This is my innermost conviction! I mention this fact to emphasize the power of television as a mass medium. Television and radio are capable of blowing up the whole country. It is inadmissible for certain groups or individuals to make their own policy, and I am saying it irrespective of my own sympathy and affection for one of the political forces. I would like to point out this fact in particular, because no state institutions would exist and no state policy could be made otherwise.

The problem of Podkrepa and of its presence in the Bulgarian Radio and Television remains open. This question should be resolved sooner or later because it involves a secondary politicization of these institutions, which we have recently depoliticized, and these circumstances involve a danger especially in a situation such as the one we are currently facing.

I agree with those who criticized the Prosecutor's Office. I think that it is not doing its job. In situations such as those of the last days, the Prosecutor's Office should get involved and firmly act in accordance with its obligations and functions based on the country's Constitution and legislation.

In closing my statement I appeal for a compromise solution, which is required, and in doing so I base my arguments on the conviction that those who behave reasonably and who are strong should be ready for a compromise under the given circumstances. Therefore, I do not consider such a kind of compromise as a sign of weakness. A compromise is an expression of strength rather than of weakness because it shows a capacity of

making flexible moves and a freedom of action, while those who are weak have recourse to desperate acts.

Last but not least, I appeal to all of you to strengthen the state institutions because they are a necessary prerequisite for pursuing the democratization process and the reform in our country, which, as I already said, would otherwise be interrupted and foiled with disastrous results for our country as a whole. This goal requires a truly resolute will for understanding and it requires above all that we not harden our positions under difficult situations when we are subject to pressure, as happens in numerous cases. All this means that we should seek sensible solutions as a whole.

Popov Says He Will Not Resign Before Elections

AU3007101791 Sofia BTA in English 0813 GMT
30 Jul 91

[Text] Sofia, July 30 (BTA)—"I want to maintain my neutrality and not to hand in my resignation," Prime Minister Dimitur Popov told Greek journalists. The statement he made during his private visit to Salonika at the end of last week is quoted by today's "SVOBODEN NAROD." Mr. Popov said he would not adhere to prime ministers' practice adopted in the West according to which they should give in their resignations before the elections. Mr. Popov will seek to stay in office to the end and maintain neutrality as becomes a true above-party prime minister.

Assembly Debates Begin on Electoral Bill

AU3007194891 Sofia BTA in English 1908 GMT
30 Jul 91

[Text] Sofia, July 30 (BTA)—Parliament started first-reading debates on the electoral bill today. They will continue tomorrow.

MP's of different parliamentary factions believe that chances are slim for the new general and local elections to be held on September 29, as scheduled by a presidential decree on July 16. October 6 and 13 are pointed out as the more probable dates.

The reasons are that debates on the electoral bill are taking a long time, while debates on the local self-government act and the units of territorial administration act have not started yet and they are related to the elections. Under the electoral bill, the president announces the elections date at least 60 days in advance. These days are already running out and the electoral bill has not been passed on first reading yet. According to Mr. Georgi Pirinski, MP of the Bulgarian Socialist Party (BSP), the representatives of the political forces said last week that the procedure may take an additional two or three days. This margin will end too soon: on Friday. Today Mr. Filip Bokov quoted at the Socialists' regular briefing Prime Minister Dimitur Popov as saying in a conversation yesterday that the cabinet would have little time to prepare the technical aspect of the elections.

Politicians had agreed in advance on the proportional representation system with 31 constituencies. This option guarantees that the parties' leaders will win seats in the new parliament. According to Mr. Andrey Andreev, MP of the Radical Democratic Party affiliated to the Union of Democratic Forces, the new parliament will be almost a replica of the present one. "Strongly swayed by party interests," according to jurist Yanaki Stoilov MP of the BSP.

The participation in the elections of the Movement for Rights and Freedoms in its present shape is problematic. According to the electoral bill, "organizations and movements which have not been registered as parties cannot enter election coalitions and nominate deputies."

During the debates several speakers favoured the thesis that there should be a chemical indication and a mark in the voters' passports to show they have voted, as is expressly mentioned in the electoral bill. Last year there was no chemical indication and the decision was taken at the round-table talks of the Socialist, then Communist, Party and the opposition.

The electoral bill does not settle the question whether Bulgarian citizens resident abroad will vote. Asked by the BTA, several MP's of different parliamentary factions expressed the opinion that this will be too expensive given Bulgaria's present financial difficulties. "Democracy in this country is not infinite, it is financially constrained," Mr. Dimitur Yonchev, BSP deputy chairman, said at the Socialists' briefing today.

Under the electoral bill, the parties will not be financially on a par in the election campaign. Only parties and coalitions which obtained at least 50,000 votes in last year's elections for a Grand National Assembly will receive 50 per cent of the amount allocated by the budget in advance. The rest of the parties and the independent candidates will be funded only after the elections "in proportion to the seats won." The political forces agreed on this restriction to avoid squandering money on "phantom-parties" as it happened last year. According to Mr. Georgi Pirinski of the BSP, the first free elections helped differentiate between the parties and the phantoms.

Socialist Party Suggests New Election System

AU3107080691 Sofia DUMA in Bulgarian
25 Jul 91 p 2

[Text] Last night, Bulgarian Television announced that at closed consultations with the political forces in the National Assembly, the Bulgarian Socialist Party suggested in principle a new election system. According to this system, 120 candidates would be chosen through personal contests in single mandate constituencies. All unused [neopolzotvoreni] votes would be used to elect candidates from the national proportional lists, from which the other 120 deputies are elected. The aim of this system would be to keep the basic advantage of the majority system—choice

between individuals—while getting away from its basic defect—the disappearance of the votes cast for candidates from smaller parties.

SDS Chairman on How To Become 'Normal State'

AU2907113791 Sofia DEMOKRATSIYA in Bulgarian
22 Jul 91 pp 1, 2

[Article by Filip Dimitrov, chairman of the Union of Democratic Forces, SDS, Coordinating Council: "How To Become a Normal State"]

[Excerpts] We would like to turn Bulgaria into a normal state. This means that we fully realize how abnormally this country has developed over the last decades and what kind of abnormal state of affairs we inherited from the communist system. It is not merely a question of depriving the Bulgarian Communist Party of power. The question is how the present opposition is going to use its future power and why the ruling party of the recent past has been totally incapable of restoring a normal state of affairs in our country.

The political system prevailing in Bulgaria today is abnormal, because it is marked by the desperate efforts of a party that has lost its ideology to preserve its links with power, and hence, to retain the major part of its property and to guarantee the social status of a few top members, irrespective of their confirmed incompetence and the crimes they have committed. These facts account for the constant efforts to confuse responsibilities, to gloss over the differences between the political forces, to replace natural legislative debates with endless negotiations, and to obstruct the progress of administrative work by counterbalancing actions. [passage omitted]

In a normal Bulgaria there should be an authoritative and well paid police force. Nevertheless, police work should not be influenced by political and ideological indoctrination. In a normal state, the appearance of the police should inspire a feeling of security and confidence rather than of fear and intimidation. However, to provide such conditions in our country, the image of the police forces should no longer bear the stigma of the former State Security Service. The restrictions and rules of law and order that citizens are supposed to obey should be based on sensible and clearly defined regulations. The courts of justice and the prosecutor's offices should be truly professional and autonomous institutions, which are impossible to establish without fully guaranteeing the complete independence of their members from any kind of political influence.

Naturally, the essential conditions for the development of a normal, future Bulgaria are related to economic conditions. The communist administration bequeathed us a centralized economic system, totally subject to state control, where no private initiative and no form of market economy whatsoever were allowed to exist, a system based on absurd structures, and closely tied to the Soviet Union, with the most disadvantageous conditions for our country. The critical situation continued to

deteriorate under the last two single-party governments, which, far from starting the economic reform, remained inactive, foiled all our chances for obtaining foreign credits, exhausted all our reserves, and negotiated even more preposterous conditions for energy imports, thus dramatically escalating the existing economic chaos. Bulgaria was literally on the brink of disaster. What are the new National Assembly and government expected to do to restore our country?

In the very first place, it would be the most normal thing to establish an economic system based on our country's realities and resources. [passage omitted]

In addition to this, we should not forget that there are in Bulgaria modern arms-producing plants that apply high technologies and employ highly qualified personnel. A certain reorientation of such plants is inevitable, but by no means all of them should be hastily converted to peace industry. Several of them call for special reassessment with a view to their market orientation and structural changes, and the opportunities for their privatization at a later stage should be discussed. Our energy policy should also be reevaluated; this applies in particular to nuclear energy. Naturally, safety is the first requirement, but the development of nuclear plants, given certain special precautions, would not be excluded. [passage omitted]

In a normal state, social welfare is not a question of charity but of natural respect for man's aspirations, providing him with the opportunity of freely choosing one's way of life. [passage omitted]

The nationality issue involves another aspect of establishing normal living conditions, that is, the issue of ethnic and religious groups living in our country. The normal way to approach this issue would be to observe human rights.

Bulgaria should act as the mother of all its citizens, because anyone who feels that Bulgaria acts as a step-mother would naturally look for the support of other countries. The communist repressions and the ambition to create an uniform society resulted in dramatic tensions, especially in relations with Bulgarian Turks and Bulgarian Muslims, which led to a permanent negative attitude toward these communities. Even today the way people treat them is based on the fact that they are different from us, on what they should not ask for, and on what they should not be allowed to do. A normal country would apply a differentiated approach to the different religious and ethnic communities, and encourage their specific character and traditions, without being afraid of variety. [passage omitted]

A normal, contemporary Bulgaria should strive for modern regional openness that will guarantee the solution of all Balkan problems in a global European and worldwide context. Regional openness means to integrate the Balkans, and Bulgaria in particular, into a collective European security system so that emerging tensions and conflicts may be settled not at a purely

Balkan level, but at an all-European and worldwide level, permitting even interference as long as it is based on common consensus. Both in the sphere of security and in the economic sector, "opening up" should be the key word for Bulgaria. [passage omitted]

TV News Chief Agov on Dispute With Committee

AU3107111391 Sofia DEMOKRATSIYA in Bulgarian
25 Jul 91 pp 1, 2

[Interview with Asen Agov, editor in chief of Bulgarian Television News, by Irina Yordanova; place and date not given: "No One Will Benefit From the Crisis"]

[Text] [Yordanova] Who benefits from the crisis in television and from putting journalists into straitjackets?

[Agov] No political force benefits from the present crisis in Bulgarian Television. The crisis is based on purely professional issues. I believe that this problem should be resolved as soon as possible through proposals from people working in television, because they are the professionals. However, certain politicians considered that this should be done by adopting arbitrary decisions imposing straitjackets from above. This leads to the journalist's nerves becoming even more frayed, distracting them from their everyday work of seeking the truth. I am convinced that the television journalists could find solutions to their own problems themselves, instead of receiving orders from outside.

[Yordanova] What is your opinion of the administrative decisions of Bulgarian Television Committee Chairman Ognyan Saparev?

[Agov] Because people have increasingly distanced themselves from Mr. Saparev, a break has occurred in the line of administration in television. Left without any assistants, Mr. Saparev often adopts decisions himself and, because of his very brief experience in television, these decisions run into conflict with professional practice and the interests of society. This led to the Bulgarian Television Program Council's demand for Mr. Saparev's resignation, a demand also echoed by various trade unions in television. I would emphasize that people with the most varied political views supported these demands with their signatures.

I will give an example of the administrative decisions made by the chairman of Bulgarian Television regarding the Main News Editorial Office. In all the time that I have served as editor in chief, I have not received any document on the structure of the editorial office, and have not even received an order on my appointment. It turns out that we are all hanging in the air. I cannot imagine that anyone benefits from this kind of management.

[Yordanova] Are any attempts being made to settle accounts with certain well-known television journalists?

[Agov] Three days ago, on Monday 22 July, a rumor spread along the corridors in television that eight members of the Program Council would be dismissed, myself included. At a meeting of the now disbanded Program Council, I asked Mr. Saparev directly whether he was about to dismiss me from my post. He answered my question neither in the affirmative nor in the negative.

In a letter to me, Mr. Saparev recommended that Dilyana Grozdanova should not be in charge of the "Reverberations" ["Otzvuk"] Program until she prepares herself better for the program. In my view, the creative arguments put forward in this letter did not withstand criticism. I was bemused by the fact that Mr. Saparev's letter arrived after the Podkrepa Journalists Association in television, whose chairman is Dilyana Grozdanova, demanded Mr. Saparev's resignation. I object in principle to such an approach, because tomorrow attacks may be made on other top-quality journalists who have become favorites with the public to some extent or other, such as Raycho Raykov, Neri Terzieva, Emiliya Ivanova, Angel Grigorov, Boryana Dimitrova, and so on. I believe that the only criterion for journalists' work should be their ratings.

[Yordanova] You were also punished in connection with the prime minister's appearance on the "Reverberations" Program. What was the reason?

[Agov] I went beyond the 15 minutes air time allowed for the "Reverberations" Program. I did this deliberately, because the public had many topical questions to put to the prime minister, and I am always guided by the interests of the public. The imposition of this penalty was in violation of the Labor Code, and for this reason I lodged a protest.

[Yordanova] How will television reflect the election campaign, and are you ready for the campaign?

[Agov] We are discussing different ways to cover the election campaign. I am strongly against the idea of election studios, because they create excessive tension in the nation. I believe that the television journalists' team at the moment is capable of covering the election campaign objectively. Television must be an objective mirror of the country—this can be so, and we know how to do it, we only have to be given the opportunity to do it.

Police Chief on Foreign Terrorist Presence*AU3007170291 Prague CTK in English 0719 GMT
29 Jul 91*

[Text] Prague July 29 (CTK)— "It cannot be ruled out that members of foreign terrorist groups live in Czechoslovakia under other names with forged documents," Czechoslovak Police Chief Frantisek Maryska says in an interview for today's independent daily "LIDOVE NOVINY."

Asked whether foreign terrorists are familiar with Czechoslovak territory, Maryska says it is very likely.

"There is evidence that before November 17 (the start of the 1989 revolution which led to the communist regime's fall—ed.), our republic was a zone of peace for some groups. With the contribution, or at least with the tacit agreement of the former secret police (StB) and the intelligence service, they rested in Czechoslovakia after operations they carried out, or on the contrary, were preparing for. They were free to move around the country," Maryska says.

Asked to comment on the fact that the police and intelligence services of Czechoslovakia's Western neighbors believe that terrorists are still hiding in Czechoslovakia—illegally this time—Maryska says this question was really discussed during his and Czechoslovak Deputy Interior Minister Jan Ruml's visit to Bonn in June.

German colleagues "asked us to cooperate with them in the struggle against the very dangerous organization known as the Red Army Faction (RAF) which has carried out a number of attacks recently," Maryska says.

He adds that the German police have big problems with the RAF stemming from "the inscrutability of the structure of the former East German Stasi and to a certain degree from the situation in the post-communist countries where their capability has been affected by reorganization and screening (for cooperation with former secret police). The German police believe we could get information on the movement of RAF units in our territory," Maryska says.

To cope with these problems, Maryska says, "new Czechoslovak intelligence services have already set up departments concentrating on concrete terrorist organizations, and together with foreign partners are trying to complete the information network. It is also in our own interest to be ready to counter possible attacks by professional terrorists."

Interior Ministry Planning Reorganization*LD3007194491 Prague CTK in English 1245 GMT
30 Jul 91*

[Text] Prague July 30 (CTK)—Federal Interior Minister Jan Langos today announced his Ministry is separating its security structures from those of the former Warsaw Pact

countries, including replacing Soviet cryptographers on whom Czechoslovakia was once totally dependent.

Langos told reporters the Interior Ministry is undergoing fundamental changes in the wake of parliament's passage of a law on the police in mid-July. The Ministry will clearly separate its function as a central state administrative body from its role as a guarantor of domestic security, performed by the federal police corps.

The current reorganization aims to simplify and clarify the chain of command and responsibility within the Ministry and its police force.

Langos said a large number of jobs will be transferred from the Ministry bureaucracy to police units, with the aim of reducing the size of the bureaucracy by half of what it was one year ago.

Asked whether telephones are still being tapped, Langos said if so it is without the knowledge of Ministry officials. The problem is not a minor one, he said, given the possible consequences for political parties and the economic interests of the state.

Minister Dlouhy Returns From London Bank Meeting*LD3107095191 Prague Ceskoslovensky Rozhlas Radio
Network in Slovak 1300 GMT 30 Jul 91*

[Text] Czechoslovak Economy Minister Vladimir Dlouhy has ended his working visit to London today and left for Prague. In the British capital, he took part in the session of the Board of Directors of the European Bank for Reconstruction and Development [EBRD] and met Robin Leigh-Pemberton, the governor of the Bank of England. Before his departure, he stated that the board's session dealt with the EBRD's strategic study concerning our Republic. Vladimir Dlouhy recommended that the EBRD direct its activity to only some areas and focus rather on larger projects, such as, for instance, the liquefied gas pipeline from Algeria.

Views London Talks*LD3007221291 Prague Ceskoslovensky Rozhlas Radio
Network in Czech 1600 GMT 30 Jul 91*

[Interview with Economic Affairs Minister Vladimir Dlouhy on return from economic talks in London, by Karel Kyncl, in Prague on 30 July—recorded]

[Excerpts] [Kyncl] The cadence and level of contact between Czechoslovakia and the European Bank for Reconstruction and Development [EBRD] appears to be growing continually. Last week the vice president of the bank was in Czechoslovakia and now he has had talks in London. Does this mean that there is some kind of concrete project on the horizon in which the EBRD will participate?

[Dlouhy] Well, the truth is rather that the EBRD has decided to make a strategic study for each of the six countries of Central and Eastern Europe, which will map out the economic situation of the country, the reform

that the country is undertaking, its first results, successes and failures, problems, and perspectives; and at the same time it will map out possible projects in the financing of which the bank could participate. [passage omitted]

The study which has been worked out for Czechoslovakia is, for the moment, unfortunately, far too general. Sometimes it only superficially states what reform steps have been undertaken. In some areas such as privatization, the macroeconomic policy, they go a little deeper, but there is no room anywhere for truly deep discussion.

[Kyncl] Well, this is quite bad news. I had expected that at this time it would be much more concrete.

[Dlouhy] I think that this corresponds to the situation in which the bank finds itself. I did not intend to imply by this that it was a bad study. There were some problems with the dates in it. These have been corrected in the final version. I think that in the discussion yesterday, which was neither formal, nor official, nor short—it lasted six and one-half hours and all the vice presidents and directors, the complete Board of Directors of the EBRD, were present—many points were clarified and the study will be completed. At the same time I believe that such a discussion will contribute to the bank finding its place better.

[Kyncl] And what is the outlook, what follows from this for us?

[Dlouhy] We recommended that there should be a much narrower selection of individual projects. We envisage that the European Bank could mainly play a sort of syndicate role, this means the financing of large projects by various private large international banks. I personally have ideas on one or two concrete projects in which the bank could play a certain syndicate role, and we discussed these concrete projects and the discussion will continue much more intensively during August. We also discussed problems of an international character.

My somewhat reserved attitude to the Pentagone, now the Hexagone, is generally known. Nevertheless, I think that the Hexagone has begun functioning, and since Czechoslovakia, for example, has been tasked with leading the energy group, certain projects have been worked out in that area, and I proposed that the European bank participate not in a wide number of projects, but that it should select one. I have in mind the pipeline for liquefied gas from Algeria. But it does not have to be precisely that project, but I would like to bring this to a more specific position during the second half of this year.

[Kyncl] As far as I know, you and Mr. Tosovsky [chairman of the Czechoslovak State Bank] also met with Robin Leigh-Pemberton, governor of the Bank of England. Was this a planned meeting?

[Dlouhy] Yes, it was a planned meeting. Basically we had a general discussion on the question of Czechoslovak economic reform. Mr. Leigh-Pemberton is planning a visit to Czechoslovakia in September. Mr. Leigh-Pemberton was also very interested in the discussion

which took place with the European bank, because British banks are also naturally interested in his bank getting involved and possibly playing the syndicate role of which I have spoken, so this was a visit with aims in this direction.

[Kyncl] Thank you.

Dubcek Responds to Calls for Resignation

AU3007122591 Bratislava NARODNA OBRODA
in Slovak 29 Jul 91 pp 1, 6

[Interview with Federal Assembly Chairman Alexander Dubcek by Vlasta Vaskorova; place and date not given: "A. Dubcek: I Am Not a Turncoat"]

[Text] In an interview with the CTK correspondent, CSFR Federal Assembly Chairman Alexander Dubcek reacted to some current domestic political problems that surfaced last week. In the interview, he described the work of the Federal Assembly thus far as very demanding in both its volume and time requirements.

Asked to respond to the demand for his resignation as Federal Assembly chairman by the Civic Democratic Party [ODS] Club of Deputies, Dubcek replied:

The demand by the ODS, as well as by some other parties, does not surprise me because this is not the first attempt to dismiss me from the post. I do, however, have to express regret at the unfounded slanderous statement by Czech Prime Minister Petr Pithart. Attacks from the right are not waged against me because I am "a turncoat," but because I have remained loyal to myself. I am the same man that people have always known. I have not changed my colors, but the ODS has. I admit that I was surprised by the attitude of the Czechoslovak People's Party, which endorsed the ODS proposal.

As for the reason given by the ODS for its demand, I must state some facts from the recent past. As far back as 12 May, in response to a CTK question about which faction I would join after the split in the Public Against Violence movement [VPN], I replied that I would join neither of the factions because, as chairman of the Federal Assembly, I want to remain impartial and seek to produce consensus among political parties and movements. That is exactly what I have been doing. I have not joined any political club of deputies.

Two weeks ago, the misleading information appeared in the news media that I remained in the ranks of the VPN after it split. I had to set this right in an interview with CTK. I confirmed my original statement of two months ago that I do not belong to the VPN. This resulted in the reaction by the ODS and some others. On 23 July, I received a letter from the ODS Club of Deputies, which says, among other things: "We hold the view that your withdrawal from the government coalition and your actual support for the opposition are no longer compatible with the post of Federal Assembly chairman." I regard this claim as construed according to the principle

that the aim justifies the means. My work in the Federal Assembly is not an expression of opposition to but one of support for the Federal Government. It is aimed at constructive work of the Federal Assembly. I made a positive contribution at the close of the last joint meeting of Federal Assembly chambers, when I played a role in the arbitration proceedings regarding the laws on referendum, courts, and church property.

Is it not strange that the ODS places me outside the government coalition and claims that I belong to the opposition just because I am not a member of the VPN, while the ODS itself was established in the wake of withdrawal from the Civic Forum coalition? The ODS deny me the right to independence while they know that there are many other parliamentarians who are no longer in the "government coalition"—parliamentarians who used to belong to the Civic Forum and have remained independent. This is the case of Deputies Kocab, Hrusinsky, and others. By what right does this newly established party judge and pronounce verdicts on others? After all, the ODS itself was not a partner of the original government coalition. This illustrates that particular interests have come to prevail, proof of which is also the demand for my resignation. What about them—did they not leave the government coalition when they withdrew from the Civic Forum?

I believe that the main motive of the proposal for my resignation, which was joined, in a modified form, by VPN Chairman Kucerak, is that its authors need to strengthen their positions before the upcoming elections. I doubt, however, whether they will accomplish their objective by this step. Ultimately, the decision on the chairman of the Federal Assembly is in the hands of the deputies, it is within their powers.

[CTK] Upon assuming office, President Vaclav Havel declared that he wishes to have you on his side. What is his view today?

[Dubcek] I suppose that this question is not for me to answer.

[CTK] Do you not have the feeling that you, who are so famous not only at home but abroad, have been misused after the gentle revolution?

[Dubcek] I do not. I feel that I have contributed a great deal to the fall of the totalitarian regime and to the gradual evolution toward a multiparty society. My feelings are not based on attacks on my person, but on the results of my work. Let me mention only one of all the facts that I could cite: On 9 January 1990, only a few days after my election [as Federal Assembly chairman], I sent a letter to the Council of Europe in which I asked that we be granted guest status. Today we are a regular member of the Parliamentary Assembly of the Council of Europe. I would like to stress that I regard extremely highly the trust which voters expressed in me in electing me to the Federal Assembly, as well as the trust which deputies expressed in me when they elected me their chairman.

[CTK] There has recently been much debate about the proposal to set up a home guard in Slovakia. What do you think about this proposal?

[Dubcek] I was surprised. In my opinion, there should be a single command for the Armed Forces in Czechoslovakia, in my opinion. I have encountered the argument that the proposal proceeds from the fact that "we feel social tension in Slovakia, which is signaled also by political parties and movements in their statements." "How shall we deal with possible internal unrest unless we prepare for it?" the argument went on. I do not think that a home guard should be formed to suppress social tension. That would be ominous. The solution does not lie in an armed home guard, but in legislative and executive power preventing a situation from arising in which social tension would have to be countered by force. Such a thing must not happen! The Federal Assembly discussed the CSFR military doctrine. The solution lies in the redeployment of the Army [to Slovakia], in my opinion. I know that the minister of defense is working on that. Suitable conditions must be established in Slovakia for the acceleration of this redeployment.

SDL Praises Dubcek for Impeding Rightists

*LD3007184491 Prague CTK in English 1611 GMT
30 Jul 91*

[Text] Bratislava July 30 (CTK)—Anton Bonko, Central Committee secretary of the Slovak Democratic Left Party (SDL-former Communist Party), today strongly opposed last week's demand by the Civic Democratic Party (ODS) parliamentary group that Alexander Dubcek resign from his post of Czechoslovak parliament chairman.

Bonko called Dubcek an integrating factor in society who blocks the aims of rightist forces forming in Czechoslovakia. Bonko said at the outset of his political career Czechoslovak President Vaclav Havel made use of Dubcek's high standing at home and abroad.

Bonko wondered whether the goal of the ODS is to "liquidate all functionaries with a communist past who did not want to or for various reasons failed to register themselves as orthodox rightists (and) to silence and destabilise leftist forces now being formed in Czechoslovakia".

Magyar Preparations for Armed Action Denied

*LD3007195791 Budapest Kossuth Radio Network
in Hungarian 1600 GMT 30 Jul 91*

[Text] Miklos Duray has categorically denied a report that cropped up at the end of last week that it is very probable that in southern Slovakia, Magyars are preparing for armed action with weapons smuggled in from Israel.

The leader of the "Coexistence" political movement made a statement about this to the Bratislava Hungarian-Language newspaper SZABAD UJSAG. According to Duray, the false report is being spread in Slovakia to increase the people's fear of danger. At the same time, he warned that in the central European region, anti-semitism is the strongest in

Slovakia, and that half of the Slovaks would readily recommend the deportation of the Magyars.

Meciar on Europe Accepting Slovak Independence

AU3007185891 Bratislava NARODNA OBRODA
in Slovak 29 Jul 91 p 13

["Excerpts" of interview with Jozef Markus, chairman of the Slovak National Heritage Foundation, and Vladimir Meciar, chairman of the Movement for a Democratic Slovakia, by Jan Smolec; place and date not given: "On Slovakia and Europe"—reprinted from the No. 30/1991 issue of the weekly SLOBODNY PIATOK]

[Excerpts] SLOBODNY PIATOK No. 30 publishes a Jan Smolec interview with J. Markus, chairman of the Slovak National Heritage Foundation, and V. Meciar, chairman of the Movement for an Independent Slovakia, in which they comment, among other issues, on the question of independent Slovakia versus Europe. [passage omitted]

V. Meciar: How do they [not further identified] know that Europe will not accept us? Did they ask someone? After all, the question of sovereignty has been raised by us only most recently. Does this mean that they intervened preventively? With whom did they negotiate? Let us consider the facts. The United States expressed its position on Yugoslavia. The question of selection of the state form is an internal matter of these two countries [not further identified]. The important thing is that the principles of compliance with the Constitution, civilized conduct, and mutual agreement be respected and that no violence be used. European countries respect the Charter of Human Rights. The right of nations to self-determination exists. Can the European Community afford not to accept norms it endorsed internationally? It cannot!

Let us pay heed in this context to our president's statements on Lithuania, Latvia, and Estonia. The statements by the Federal Government and the Presidential Office on Slovenia and Croatia are immensely encouraging and impressive. They proceed consistently from international documents. Could it be that these facts do not apply in relation to Slovakia? When we speak about completing the sovereignty of Slovakia, it is motivated by the fact that only someone who is sovereign can form an alliance with another sovereign subject. The federation does not fulfill the ideas and aspirations that we in Slovakia have with respect to involvement in international division of labor, the establishment of diplomatic relations, the development of culture, and so forth.... It is precisely the non-functioning of these [federal] bodies that prompts us to seek another form of constitutional arrangement. This is neither a momentary mood nor nationalism but a real necessity. We do not want anyone to merely represent us.

KDH Official Clarifies Carnogursky Statements

AU3107081191 Prague SVOBODNE SLOVO in Czech
26 Jul 91 pp 1, 4

[Interview with Jan Petrik, central secretary of the Christian Democratic Movement, by Josef Zalesak; place and date not given: "The Christian Democratic Movement's Clear Policy Line"—first paragraph is SVOBODNE SLOVO introduction]

[Text] The Christian Democratic Movement [KDH] is playing an increasingly distinct coordinating role on the Slovak political scene, even though the results of public opinion polls do not necessarily reflect this fact. Its coordinating role concerns, in particular, the constitutional process. In this connection, we asked KDH Central Secretary Jan Petrik for an interview.

[Zalesak] The publication of the KDH's draft of a treaty between the Slovak Republic and the Czech Republic caused some surprise on the Czech side. Do you think that this reaction was adequate?

[Petrik] I do not think that it was adequate. One who has followed the KDH's course of action over a period of time must see, and should know, that our movement has not deflected from its program. This program has been clearly formulated, and sensitively interpreted, by KDH officials. If, for example, someone was surprised by what Jan Carnogursky told the French newspaper LIBERATION, it does not testify to his quality as a political observer. The prime minister only reiterated in a different form—a certain role may have been played by the editors' translation of his replies—what he had said on several occasions before.

[Zalesak] Can the Czech side be expected to show interest in some kind of a temporary federation?

[Petrik] Apparently not. But the KDH said even before that we want to seek Slovakia's entry into Europe as a geopolitical entity. We said before that the representatives of Czechs and Slovaks will support each other in European institutions as two nations that have lived together for three-quarters of a century. Initially, the Czech side responded to this as something naive, later it felt slightly irritated by it, but, in the end, during the last round of talks on the constitutional arrangement of the state at Lany, Mr. Havel said that the European sky is so wide that he sees no reason for Slovakia not to have its own star on it. Of course, Europe does not have a tendency to fragment what has already been integrated, but Slovakia, too, must make itself heard because a mute child is not understood even by its own mother.

[Zalesak] This raises the question of what happens if Europe does not show understanding for Slovakia's objectives....

[Petrik] Yes, the question is whether Europe will accept this. In that case we will have to say whether the advantages stemming from EC membership, for example, are worth a certain reduction of our national interests or whether Slovakia will stand, figuratively speaking, outside a Europe

perceived in this way. However, this is a remote prospect of, let us say, the next 10 years. It is impossible to realistically predict how far developments will go in those 10 years. One thing is certain even now, however. There is no other path for Slovakia than the path leading to its prosperity and its own responsibility for its development and further fate, based on the full assertion of its national identity. When we look around Europe it becomes quite evident that this is an irresistible process that does not concern just Slovakia.

[Bratislava NARODNA OBRODA in Slovak on 26 July on page 2 carries a 250-word unattributed report on a KDH briefing held in Bratislava on 25 July. According to this report, Jan Petrik reportedly denies that Carnogursky's interview for LIBERATION marked a change in the KDH's positions and he "quoted from the KDH's original program" to prove this point. He added that "the commotion that Carnogursky's interview raised was also contributed to by an imperfect translation into French, due to which some replies acquired a vulgar and separatist tone." Petrik also clarified Carnogursky's statement that "Slovakia would be able to cope with economic problems far better if it were independent." Carnogursky meant, according to Petrik, that "Slovakia would be able to deal with its specific economic problems more directly."]

New Slovak National Unification Party Founded

LD3107093791 Bratislava Ceskoslovensky Rozhlas
Radio Network in Slovak 1000 GMT 30 Jul 91

[Michal Tvarozek report]

[Text] The Party of National Unification of Slovaks held a news conference today. Michal Tvarozek has returned to the studio to give this report.

[Tvarozek] The news conference consisted of reaction to current events. Perhaps it will be interesting to compare their standpoints with the views of the Party of the Democratic Left, which you heard earlier. We cannot wait until the year 2000; there should be an independent Slovak state after next year, said Jan Veselovsky, the acting chairman of the Party of National Unification of Slovaks. He added, however, that so far the mistake made by other parties is that they have not been considering seriously the economic pluses and minuses of the Slovak Republic. Slovaks who would be faced with making a decision in a referendum do not in fact know at the moment whether it would be economically beneficial or not.

That was one of the ideas heard at today's news conference. Apart from this, the chairman of the party and its secretary (Frantisek Juriga) discussed—as I have said—the most current themes of internal politics. I have already spoken about their view on the standpoint of Jan Carnogursky. On the subject of the interview in the French magazine LIBERATION, they added that the statement on the nonviolent and constitutional founding of the Slovak Republic by the year 2000 is misleading and is part of the election campaign.

On the subject of the recalling of Mr. Dubcek, they said the Federation is breaking up and Dubcek could delay this. This is why some Czech circles wish to remove him. If Dubcek leaves for the stated reasons, meaning a withdrawal from Public Against Violence, then so could Vaclav Havel and Klaus and Calfa.

On the subject of the home guard, the Party of National Unification of Slovaks supports the proposal of Mr. Klepac. On the economic situation, Klaus, Dlouhy, and Kucerak only recognize their own approaches—they cannot bear opposition, not even from abroad. This is why they only discuss things among themselves in the spirit of the slogan what we say is the truth. Let them give an answer to where the money from loans, from reducing defense spending, and weapons production is going.

On the aims of the party—which was registered toward the end of May by the way—we reject attempts that give rise to hatred between nations. We do not consider a Slovak to be a member of a nationality but a member of a state. Among its sympathizers are said to be citizens of Hungarian nationality. In their view the nationality friction is largely artificially caused.

At the close of the news conference, they announced that the constituent congress of the Party of the National Unification of Slovaks, which has at present more than 5,000 members not just from Slovakia but also from Bohemia, will take place on 29 September in Stupava.

Poll Shows Slovaks Feel Czech Advantage

LD3007194391 Prague CTK in English 1254 GMT
30 Jul 91

[Text] Prague July 30 (CTK)—60 per cent of the population of Slovakia believe that Czechs receive preferential treatment, according to a recent public opinion poll on relations between Czechoslovakia's nationalities.

In the Czech Republic, 48 per cent of residents of Bohemia and 34 per cent of Moravians think that Slovaks are treated preferentially.

26 per cent of respondents from Bohemia, 34 per cent from Moravia and 19 per cent from Slovakia think Czechs and Slovaks have equal rights in the wake of the collapse of communism in 1989.

The survey of 1,133 respondents, conducted by the Prague-based Institute for Public Opinion Research at the beginning of July, also asked about attitudes towards minority rights.

37 per cent of respondents in Bohemia, 29 in Moravia and 24 per cent in Slovakia (where over half a million Hungarians live) said ethnic minorities have the right to use their native language in state offices in areas where they live. Nationwide, 27 per cent said "rather not" and 36 per cent "definitely not".

74 per cent of Czechoslovak respondents think the Romanies (gypsies) should have the right to use their mother

tongue primarily in cultural areas, in parts of the country heavily populated by Romanies. 26 per cent would agree with the use of Romany as a language of instruction in schools and 9 per cent would sanction its use in state offices. Respondents in the Czech Republic were more accepting of the use of Romany than those in Slovakia.

State Bank Chairman on Cost of Credit

LD3107102091 Prague Federal 1 Television Network
in Czech 2005 GMT 30 Jul 91

[Excerpts] CSFR Economy Minister Vladimir Dlouhy and Josef Tosovsky, chairman of the Czechoslovak State Bank, returned from Great Britain today. [passage omitted]

After their arrival, we asked Josef Tosovsky for an interview.

[Begin recording] [passage omitted] [Unidentified reporter] What about nationality problems?

[Tosovsky] Unfortunately, nationality problems are a stumbling block. I must say that I had talks in London with other bankers. This problem is costing us dearly, because given the political uncertainty the credits for Czechoslovakia are far more expensive than they were in the past.

[Reporter] Can this be expressed numerically, in a percentage, say?

[Tosovsky] Well, while in the past—by this I mean two years ago—we paid a quarter or half percent above the current market rate, we are now paying 4 to 6 percent and we are, of course, paying more than some other countries. [passage omitted]

Klaus on Falling Industry Output, Rising Profits

AU3007175891 Prague OBCANSKY DENIK in Czech
26 Jul 91 pp 1, 3

[Article by Federal Finance Minister Vaclav Klaus: "Has Your Enterprise Also Squandered Its Chances?"]

[Text] If we look at our economic development during the first six months of this year, we cannot overlook the parallel existence of two elements: the declining volume of output in the state sector and, surprisingly, the significant increase in profits. However, this phenomenon—which we do not normally notice in stabilized market economies—is a characteristic phenomenon accompanying the first stage of the rapid transformation of a centrally planned economy into a market economy that it is impossible to adequately avoid. Of course, its causes lie in the price hike that was bound to occur following price liberalization and following decades of artificially

and administratively suppressed inflation (that is, the permanent edge demand had over supply without movement in prices) that was made possible by the monopoly status of the majority of our state enterprises.

Whereas industrial output in state enterprises (at constant prices) declined during the first four months of this year by 20.3 percent in comparison to the same period last year, these enterprises' earnings increased by 44.5 percent during the same period and their profits even increased by 161.3 percent. If we take a closer look at developments in expenditure, we see that the scope created for the rapid increase in profits due to the growth in prices was also made possible by stagnating nominal wages. While the cost of material consumed increased by 43.2 percent—that is, roughly the same as earnings—the volume of wages paid out remained at last year's level. In other words, the increase in profits was accompanied by stagnating nominal wages and a decline in real wages. This was also the reason for the higher than expected state revenue from levies on profit and, by the same token, for the surplus in the state budgets, which recently enabled us to make certain budgetary amendments.

From the point of view of prospective economic development, such excellent dynamism in profits would, naturally, be welcome and would be promising since it enables enterprises to restructure their production, to invest, and to implement modernization projects. Unfortunately, so far, we have no evidence that our enterprises would manage to make effective use of this opportunity. An unwillingness to change old behavior patterns and reliance on state assistance in resolving production and marketing problems have led, on the contrary, toward intensifying enterprises' insolvency which—in a situation with such dynamism in profits—is virtually incomprehensible. It is possible to find an explanation. The majority of enterprises literally squandered their profits on excessive and nonproductive materials and on irrecoverable debts from unpromising customers.

However, the dynamism in profits is a temporary and transient phenomenon. During the course of this year, profit generation has declined, and we have many reasons to assume that this trend will continue in the coming months. The figures for May speak for themselves.

Reportage on Dubcek's Visit to Austria

WA3107151291

For reportage on the visit by Federal Assembly Chairman Alexander Dubcek to Austria, including reports on his talks with Austrian National Council President Heinz Fischer, see the Austria section of the 31 July West Europe DAILY REPORT and subsequent issues.

Interior Minister on Local Governments

AU3007135591 Budapest NEPSZABADSAG
in Hungarian 26 Jul 91 pp 1, 9

[Interview with Interior Minister Peter Boross by Attila Gy. Fekete; place and date not given: "Law on Local Governments—It Would Be Early To Think About Modifications"]

[Text] Today, the Interior Ministry is not a ministry of policemen anymore, and one of the main concerns of Peter Boross is improving our system of local governments. He spoke about this and other issues in his exclusive interview with NEPSZABADSAG.

[Fekete] According to many people, the Hungarian system of local authorities that has been established in recent months is typically Hungarian, and legislation did not take European practice into consideration to a large extent. Do you agree with this?

[Boross] There is constant debate on the way the various West European countries should further develop their system of local governments—and these countries have a century's tradition of local governments. It is also a fact that, after lengthy legislative battles, they implement smaller or greater modifications every 10 or 20 or 50 years. In France, for example, whose model is somewhat similar to ours because it is based on several small and autonomous localities, the government was authorized by legislation to redistribute some of the income of the richer communities to the poorer ones. The French legislature was forced to make this decision by the simple fact that the great difference in prosperity among the various local authorities had become virtually unbearable politically.

[Fekete] The "great difference" between the various regions and communities has become "virtually unbearable" in Hungary, too. Opposition members say that the situation of local authorities is becoming impossible, while the government and the coalition are trying to prove that the problem is not so great. Would it not be better for our country if it was admitted that this is not the best possible law and it needs modification?

[Boross] There are no unbearable differences in prosperity among the various communities.

[Fekete] Will you wait until there are?

[Boross] This is not the way the question is raised. Our country still has legislation fever—and I am afraid, it will continue with this for quite a while. In the meantime, there is no time or chance to assess the effects of the laws already passed. Also, every law needs some time to mature so that its advantages and disadvantages become clear. According to our plans, we can start assessing the effects of the law on local governments in summer 1992. However, I do not deny that our system of local government has some growing pains. I know that I will be stigmatized as "having centralist inclinations," but we have to see that the structure that was formed barely one

year ago turned out to be democratic and decentralized to such an extent that the state's balancing role between the various communities and localities cannot succeed in this system. Of course, it probably could not have happened any other way. After decades of a council system, during legislation on local governments, everyone took great pains to ensure that the center, that is, the government, had the least chance to interfere in local affairs. However, we have to be aware of what is happening in Europe! Countries give up part of their sovereignty in order to become unified, because they have realized that their problems can be solved efficiently, maybe even more efficiently, in a larger system. The Western local governments are also progressing toward forming larger units. At the same time, our country has been divided into 3,100 pieces—the number of local governments—as a result of the extremist understanding of autonomy.

[Fekete] Local authorities are struggling with daily financial problems, and they are trying to stand on their own feet, because—aware of the budget situation—they can hardly expect any central subsidy. They would set up enterprises, but the laws necessary for this are missing. On the other hand, the compensation law has been passed and there are contradictory opinions on its effect on local governments. What do you think can be expected?

[Boross] I must refute the dark predictions on the collapse of local governments. Thanks to the clever experts in the local governments, collapse is out of the question. The only communities that might be an exception to this are those that inherited a decade of backwardness, or ones that elected leadership unsuitable for the task, and certain former partner communities that fight over the common property. All in all, the situation is better than many people state. As for local government financial management and enterprises run by local governments, in my view, we have fallen into extremes—I am saying this with foreign experience behind me. The task of local governments is not to create enterprises but to establish the conditions for them. They are to give their citizens a chance to become rich so that they pay even more taxes and the local government can spend more on public purposes from the taxes. It is also expedient to examine the effects of compensation in this respect. Those who criticize us say that the citizens will purchase things from their local government, using their compensation notes, and when the local government wants to make use of these notes, the government will freeze their use. It is true that, according to some opinions, the coalition forced the compensation law on our country to strengthen its own electoral basis. In this case it would be suicidal for the coalition to freeze the exchange of compensation notes just for the sake of it. This is an artificial conflict. People who argue this say no less than that the local government should have property and not the taxpayer.

[Fekete] Almost all West European governments have promised to help modernize the Hungarian police. They

have offered money, technology, and training opportunities. When will the citizens who increasingly worry about crime be able to feel the effects of this help?

[Boross] It takes a long time to change style and mentality. We need at least two or three years before the Hungarian policeman's conduct becomes the same or similar to the conduct of their Western colleagues. We will do what we can to accelerate this process. On the other hand, the law on the police will probably be completed in 1991, and the Penal Code will be modified; then the legal basis of police work will be settled. It is no secret that I will ask the police leaders who were appointed through competition to render accounts of their work after a year. I forewarn everyone that I will not be moved by anyone blaming circumstances for bad work. Our ministry will provide the police with all possible financial and technological support and support for staff increases, but I want to see results.

[Fekete] The electorate obviously rejoices over your firmness. However, parliament considerably reduced the police budget in 1990. Do you think you will receive the necessary funds to increase staffing by the promised 3,000 people in 1992?

[Boross] People who do not believe in resurrection should not become priests. I certainly expect public opinion and the press to support me substantially during the budget debate.

[Fekete] Are you lobbying, Minister Boross?

[Boross] Yes, why not? I completely understand the budget situation, but it has to be seen that according to public opinion polls, the public is mostly worried about inflation, unemployment, and crime. Both the government and parliament will have to take this into consideration.

[Fekete] You alluded in the legislature to certain groups with capital who are thinking about political aims. What and especially who did you have in mind?

[Boross] According to my information, there are some economic forces that also have political aims. I hope you do not mind that I do not want to go into details for the time being. If some facts came to light, the police would decide when to inform the general public and in how much detail. All I wanted to do was draw the delegates' attention to this phenomenon.

Foreign Minister Cited on Ambassadors Conference

LD3107013891 Budapest MTI in English
2013 GMT 30 Jul 91

[Text] Budapest, July 30 (MTI)—The Foreign Ministry intends assigning an even greater role than so far to Hungarian envoys and ambassadors in promoting international economic relations, Geza Jeszenszky, minister of foreign affairs, and Ferenc Somogyi, secretary of state at the Ministry of Foreign Affairs, told MTI's correspondent after the two-day conference of ambassadors in Budapest.

Prime Minister Jozsef Antall addressed the conference on Monday, and over the two days consultations with those present were held by several ministers, including Bela Kadar, minister of international economic relations, Mihaly Kupa, minister of finance, Andras Galszecsy, minister without portfolio in charge of national security affairs, and Geza Jeszenszky, minister of foreign affairs.

Geza Jeszenszky rejected views that the envoys at the beginning of their diplomatic career are not completely up to their task, and stressed that their fresh approach is extremely useful in diplomatic work. He added that the persons concerned had already achieved major results in their profession.

According to Ferenc Somogyi, the participants in the conference accepted as natural what Prime Minister Jozsef Antall said in his Monday speech, namely that the government expects "loyalty" and identification with the government's strategy from those who represent Hungary abroad. Geza Jeszenszky was of the opinion that this foreign policy is easy to follow, and that the opposition is also aware that this is the only possible foreign policy.

Official Views Geneva Conference on Minorities

AU3007103591 Budapest NEPSZAVA in Hungarian
27 Jul 91 p 3

[Interview with Janos Bathory, deputy chairman of the Office for National and Ethnic Minorities, by Katalin Decsi; place and date not given: "A Romanian Publication That Is Offensive for Hungary"—first paragraph is NEPSZAVA introduction]

[Text] We asked Janos Bathory what he thought of the Geneva conference on national minorities. Bathory was a member of the Hungarian delegation at the CSCE talks that ended last week.

[Bathory] I think that the conference was successful. I can only confirm what Istvan Zalatnay told NEPSZAVA: The Hungarian delegation is not dissatisfied with what we achieved in Geneva.

[Decsi] How did the delegates react to the presentation of Hungary's national minority policy?

[Bathory] We expected neighboring countries to make comments about the situation of national minorities living in Hungary. However, this did not happen. On the one hand, maybe they do not think that the situation of national minorities living in Hungary is that bad, and on the other, we were very objective and self-critical when we presented our past experience, we did not conceal our mistakes or shortcomings.

Nevertheless, we were very surprised by the Romanian delegation. The Romanians did not show any interest in the situation of the Romanian national minority living in Hungary during the conference, but on the last day, they distributed a document in English entitled "The Drama of National Minorities in Hungary." The style of this document did not fit in at all with the atmosphere at the conference. It accused Hungary of committing a genocide against Romanians living in our country. The document referred to "the historical sins" of the Hungarian people, it used offensive terms to describe Hungarians, and it made several slanderous and provocative statements. I would like to stress that one of the points in the Geneva conference's closing document takes a stance against such publications that arouse hatred against minorities; the closing document is particularly condemning of states and governments which indulge in the propagation of such documents. Yet the aforementioned document was circulated by the official Romanian delegation.

I think that despite its shortcomings and omissions, Hungary is ahead of several European countries in its treatment of national minorities. For example, in the national minority bill that we are currently drafting, we sometimes go beyond the recommendations of the Geneva conference and last year's conference in Copenhagen.

[Decsi] The Gypsy problem was also brought up in connection with Hungary.

[Bathory] The situation of the Gypsy minority was given particular attention throughout the conference. Incidentally, there were Gypsy representatives from both Hungary and Romania at the Geneva conference. The Hungarian delegation suggested that a fact-finding committee be sent to Hungary, the CSFR, the SFRY, and Romania to study the situation of Gypsies in Central and Eastern Europe. Unfortunately, our suggestion did not meet with undivided approval.

MSZMP Chairman Sends Letter to Goncz, Antall

AU3007143191 Budapest NEPSZABADSAG
in Hungarian 26 Jul 91 p 5

[Unattributed report: "Thurmer's Letter to Antall"]

[Text] Yesterday morning [25 July], Gyula Thurmer [chairman of the Hungarian Socialist Workers' Party] addressed a letter to Hungarian Prime Minister Jozsef Antall and Hungarian President Arpad Goncz, informing them of his talks in Moscow and suggesting a personal meeting with the two public dignitaries. The chairman of the Hungarian Socialist Workers' Party [MSZMP] recently visited Moscow, where he held a telephone conversation with Soviet President Mikhail Gorbachev, who promised him that the Soviet Union would purchase 1.5-2 million tonnes of Hungarian grain and 500,000 tonnes of meat.

At a news conference held on 25 July, Gyula Thurmer made references to the war of statements that had taken place in connection with his visit to Moscow. Thurmer said that the Hungarian Government was upset because the cabinet had been unable to come to an agreement on several economic issues with the Soviet Union, while the chairman of the MSZMP had held fruitful talks with Soviet President Mikhail Gorbachev. Thurmer hoped that the government would "swallow its pride" and agree to talk to the MSZMP chairman.

Democratic Forum Views Vojvodina Independence

AU3007134191 Budapest MTI in English
1013 GMT 29 Jul 91

[Text] Budapest, 29 July (MTI)—Gyorgy Csoti, MP for the Hungarian Democratic Forum and deputy chairman of Parliament's Foreign Affairs Committee, gave an interview to the Washington correspondent of MAGYAR HIRLAP during his current visit to the United States at the invitation of the Konrad Adenauer Foundation.

Asked about his interpretation of the recent Washington statement by Foreign Minister Geza Jeszenszky that Vojvodina cannot be regarded as an integral part of Serbia, Gyorgy Csoti said, "besides the various republics, there were two autonomous territories in Yugoslavia, Kosovo and Vojvodina, both of which were deprived of their autonomous status by Serbia. To us, it is not inconceivable for these former autonomous territories to become independent republics within Yugoslavia. So, the remarks made by both Prime Minister Jozsef Antall and Foreign Minister Geza Jeszenszky with regard to Vojvodina are to be interpreted in a way that we could conceive Vojvodina as an independent republic. (Jozsef Antall told the press on July 6 that Vojvodina had originally been annexed not to Serbia but to the state federation of Serbia, Croatia, and Slovenia, and later to Yugoslavia—the editor.) We have no intention of intervening in the matter. It would perhaps be good for Hungary, and also for Yugoslavia, if a loose confederation could emerge between the independent republics within Yugoslavia."

Official on Trade With Former CEMA Countries

AU3107080391 Budapest UJ MAGYARORSZAG
in Hungarian 26 Jul 91 p 5

[Interview with Lajos Berenyi, deputy state secretary at the Ministry of International Economic Relations, by Laszlo Meszleny; place and date not given: "CEMA Has Ceased To Exist, the Debtors Have Remained—There Are No Plans To Set up a Successor Organization"]

[Excerpt] [passage omitted]

The Chinese 100 Million

[Meszleny] What is our balance with the other CEMA countries?

[Berenyi] In the case of Poland and the CSFR, we can close the "past" of accounting in rubles by balancing the accounts with goods deliveries. We have the least problems in the case of these two countries. It is an important achievement that we managed to expand our cooperation with the CSFR through an increased joint use of the Adria oil pipeline. Our economic relations with the SFRY have been very favorable so far because we achieved a \$250 million export surplus in 1990. The political events in the SFRY did not influence our trade relations in the first six months of 1991. At the same time, the reduction of the SFRY's foreign currency reserves may have a negative effect on our trade in the second six months of 1991. We can sort out our ruble demands with Romania partly through deliveries of goods and partly through third market maneuvers. We have lively business links with Romania and private entrepreneurs have shown a great interest especially in the areas along our border with Romania. We are witnessing several joint events and business contracts are also being made. Barter deals prevail on the Romanian market due to their lack of foreign currency. Bulgaria hardly managed to repay its ruble debts to us and very few contracts have been made in free currencies. We have orderly relations on a governmental level, but our business links have declined considerably. Albania has become a very exciting country. Business activities are lively and there are a lot of possibilities on this market. Our enterprises have acquired good market positions there.

The greatest of our more distant partners is China, but our trade has declined considerably even in this relation. Our demand amounts to some 100 million Swiss francs and this will be settled in 1991. Our trade accounted in free currencies is hindered by the too high export price offers practiced by both sides. The establishment of joint ventures might be a way out of this. In the case of Vietnam, Mongolia, and Cuba, our biggest problem is the recovery of our claims. Vietnam and Mongolia have shown some willingness to settle these debts, but Cuba has refused to do this so far, and we have not even managed to sign a basic agreement with Cuba on the changeover to accounting in free currency. In relation to Cambodia, Laos, and North Korea, we can see a modest level of business activity, but the size of this trade is not significant.

Kadar Details First Half Foreign Trade Figures

LD3007230291 Budapest MTI in English
1242 GMT 30 Jul 91

[Text] Budapest, July 30 (MTI)—There were still sharp contrasts between Hungary's trade with the West and the East during the first half of this year, Bela Kadar, Hungarian minister of international economic relations, stressed at a news conference here today.

According to Hungarian ministry of International Economic Relations figures, Hungary's convertible exports

amounted to 4.086 billion dollars from January to June, 27 per cent up on the same period of last year.

In the second quarter of 1991, convertible exports slowed down: the growth rate was 16 per cent, compared to the 39 per cent of the first quarter of the year. Convertible imports grew by 77 per cent to 4.912 billion dollars (2.776 billion dollars in the corresponding period of 1990).

The convertible balance showed an 826-million-dollar deficit.

The trade balance for the first five months showed a deficit of 750 million dollars.

Hungary's rouble-accounted exports to eastern European countries came to 498 million roubles in the period in question, while imports worked out at 538 million roubles, a 40-million-rouble deficit.

The OECD countries take up 73 per cent of Hungarian exports, with 47 per cent going to the EC countries.

On the other hand, the volume of eastern trade fell back 55-60 per cent during January-June, 1991.

The share of eastern European countries in Hungarian exports was no more than 15 per cent, of which the Soviet Union took up less than 10 per cent.

The Ministry of International Economic Relations considers it necessary to give a response to the MTI report on Minister Bela Kadar's Tuesday press conference, as outlined earlier.

According to the ministry, it was not mentioned at the press conference that the country's foreign trade balance showed a deficit of 826 million dollars. This figure is misleading insofar as it comprises the value of items delivered against paid work, contributions in kind to capital imports, leases and the natural gas support under the Hamburg contract. Over the past 30 days, it has not been possible to put an exact figure on these items, which is why it was not mentioned at the press briefing. Estimations put it in the region of 400 million dollars. The foreign trade deficit can only be determined once this estimate is confirmed, the ministry said.

Bela Kadar told the press that Hungary's trade with eastern Europe had dropped by 55-60 per cent in the course of a year, and the growth of exports to the advanced industrialized countries was insufficient to offset the decline. Hard-currency exports over the first six months were 850 million dollars (27 per cent) up on the corresponding figure for last year.

Seventy-three per cent of exports went to the advanced industrialized nations, and 47 per cent to EC markets. Germany, Hungary's largest trading partner, accounts for 25 per cent of exports, eastern Europe for 15 per cent, and the Soviet Union for less than 10 per cent.

The value of imports was 2 billion dollars in excess of last year's. Sixty-five per cent of imports came from the advanced industrialized nations, 19 per cent from eastern Europe and 14 per cent from the Soviet Union.

With regard to the figures publicised, Bela Kadar remarked that there are several different systems of accounting, such as export-import statistics, the balance-of-payments scheme and the mechanism of financial settlements, which do not overlap time-wise, so affecting the analysis of the figures.

Retail Trade Shows Increase

LD3007212391 Budapest MTI in English
1924 GMT 30 Jul 91

[Text] Budapest, July 30 (MTI)—In the first six months of 1991, retail trade turnover in Hungary increased by 13 per cent at current prices, and stood at 369,496,000 million forints (4861.4 million dollars) at the end of June, 1991. Given a retail trade price index of 39.2 per cent, the volume of trade dropped by 14.5 per cent.

In the first six months of 1991, 65.75 of every 100 forints of personal income went on the purchase of goods, as against 77.29 forints last year. The value of investments (shares, securities, bonds etc.) stood at 115,700 million forints (1.5 million dollars) at the end of June, 25,300 million forints (333 million USD) more than at the beginning of the year.

Wholesale purchases in the first six months amounted to 146,500 million forints, 1.8 per cent up on last year. Sales were worth 152,100 million forints, 5.2 per cent down on last year.

The supply of consumer goods varies: There are surpluses of certain goods, while others are in short supply. Consumer demand is generally slack. Hungarians bought 71.2 per cent more hard currency in the first half of 1991 than they did last year.

Bank savings stood at 373,400 million forints (4,900 million dollars) on June 30, 40,600 million forints (534 million dollars) more than at the beginning of the year.

By the end of June, 7,802 businesses were involved on the domestic market, 1,427 more than at the end of last year. Of the June total, 6,822 were incorporated companies.

CSFR Requested To Halt Dam Construction

LD3007211891 Budapest MTI in English
1913 GMT 30 Jul 91

[Text] Budapest, July 30 (MTI)—According to a statement sent by the Hungarian Ministry of Foreign Affairs

to MTI, Imre Szokai, deputy secretary of state at the Ministry of Foreign Affairs, summoned to the ministry the charge d'affaires ad interim of the embassy of the Czech and Slovak Federal Republic in Hungary on Tuesday and presented a verbal note to him. In the note, the government of the republic of Hungary confirms its continued determination to continue the inter-state talks on the Gabcikovo-Nagymaros hydroelectric dam project and carry on the preparations for the negotiations scheduled for September.

The deputy secretary of state stressed the necessity of avoiding unilateral moves. The Hungarian government regards the filling in of the headwater canal of the Gabcikovo-Nagymaros dam started on July 27, 1991 as such a unilateral step, and expresses its protest on this account. At the same time, it requested the government of the Czech and Slovak Federal Republic to stop the works under way and avoid any further unilateral moves.

Civilian Airport Opens at Sarmellek, Lake Balaton

AU3107091891 Budapest MTI in English
1500 GMT 27 Jul 91

[Text] Budapest, 27 July (MTI)—Nearly 14,000 people were present at the opening on Saturday of a new civilian airport of Hungary suitable for receiving large aircraft, the Balaton airport in Sarmellek (W. Hungary).

Director general in charge of aviation at the Hungarian Ministry of Transport, Telecommunications, and Water Management Odon Skonda has symbolically handed over the keys of the airport to the company that will run the establishment, the Mikromatika Holding.

Sarmellek is the first civilian airport in Europe that started to operate using a military airfield left by the Soviet Army. The investment's costs amounted to 122 million forints. The Mikromatika Holding is to run the airport on the basis of a lease contract signed with the asset-handling organization of the treasury valid until November 30.

The airport is capable of receiving both one or two-seat planes and those of the size of an IL-76. This year, only day-time air traffic will be directed by the radar system. Mikromatika Holding is also planning to launch air-taxi and charter flights soon.

The company will also bid in the tenders that are to be advertised for the other seven military airfields left by the Soviet Army, where it intends to establish further civilian airports.

Walesa on Reasons for Upcoming Press Conference

LD2907162391 Warsaw Radio Warszawa Network
in Polish 1300 GMT 29 Jul 91

[Text] President Lech Walesa's news conference, which has been scheduled for tomorrow, will be his first meeting of this kind with journalists since taking over the highest post in the state.

The conference, weather permitting, will take place in the garden surrounding the Belweder palace. According to press spokesman Andrzej Drzycimski, the president took this decision because he sees an information gap between society and the authorities. The president decided that actions of this kind are necessary in order to show society at what stage we find ourselves.

Andrzej Drzycimski said that the president wants the mass media, radio, TV, and the press to become a means of communicating information from the authorities to society and from society to the authorities.

Walesa Meets Press on Media, Reforms

LD3007184891 Warsaw Radio Warszawa Network
in Polish 1030 GMT 30 Jul 91

[News conference by President Lech Walesa with foreign and domestic correspondents, in Warsaw's Belweder Palace on 30 July—recorded]

[Text] [Walesa] Esteemed ladies and gentlemen: My presidency has existed for seven months, seven months of quest for the answer of how to serve Poland. Different presidents of different states cooperate with their nations differently. On the other hand, we, on our road to normality, also want to find a spot from which we can serve best. I do not know if you will like it or not. I think there will be supporters and opponents; nevertheless, in certain periods of our history I will try to become more involved because I know well that the press has a great task to play in our reaching normality. As for today, I would like to devote my time, as well as yours, to issues involving our country, because we have great achievements on the international stage, and we do not speak of them. Nor do we speak about 90 percent of the president's work, as it is unseen, and maybe it is good.

On the other hand, about 10 percent of that work is seen and I would like this 10 percent to be understood; I would like to create new facts. As for today, the organizational achievements of democracy and pluralism, values in which I believe—and not just me—in Poland seem to be failing. Instead, we have a rudimentary democracy of elites. I am convinced that, in such a situation, those elites are blocking the efforts aimed at implementing reforms, the acceleration.

This process is not understood by society; there is no transmission and social encouragement from below. This is the juncture where elites fail to reflect social feelings. A dangerous division into us and them is being

created. I wish that, in this important and difficult time, our society was better informed about where we are going as a nation. Questions appear: What causes such a situation? What must be changed in the interests of us all? Journalists must help construct democracy, ergo society. Communicating to society and authority is their duty; their duty is to facilitate the flow of information. You cannot restrict yourselves merely to what narrow elites must say. People must know answers to their questions, their problems. That is why we are here. One must speak concretely and stick to the points of vital national importance. That is why we called this conference, and we will call more of them. Let them be the shortest way to the social reawakening. I count on the mass media; they are the key force for indispensable changes and reforms. The Belweder is open for journalists; I await your questions; I await specific questions, which will help us reach normality.

[Maria (Brylinska), VOA correspondent] Mr. President, in a conversation you had with SZTANDAR MŁODYCH journalist, you said that, if the situation in Poland was very bad, then you would be compelled to use force. A similar argument was used by General Jaruzelski when he introduced martial law in 1981. In accordance with all this, do you think that Gen. Jaruzelski was right in introducing martial law, since his vision of Poland's internal situation was the same as yours now?

[Walesa] Ladies and gentlemen: There you are, a small misunderstanding. I phoned SZTANDAR MŁODYCH and talked to them, answering the question: How would I reply should they ask me such a question in the United States? What would we do if there was anarchy and disorder? Answering this question, I said that, in the name of responsibility for Poland, in the name of Polish security, I would have to use every constitutional right to save Poland. I was not speaking, as it were, in defense of my authority or authority in general; I was speaking in defense of Poland. I have a constitutional duty to maintain the continuity and security of the state. If anyone tried to set fire to your house, I would have to interfere. I would have to protect Poland.

This is something that I must do. I hope that these meetings and all others will allow us, peacefully and safely, to solve problems. As I said during my speech, pluralism and democracy in Poland are not yet sufficiently organized for us to solve the organization of problems. Today, we have great pluralism, great democracy, but individually so. Every Pole is a political party, and that's great; that's pluralism. But, there is a lack of sufficiently organized forces to fight for their rights responsibly, to demand what is rightly theirs. In such a situation, anarchy or the exploitation of disarray by certain organizations for various purposes is possible. I would have no choice, since I must protect the homeland, and I will protect it.

[Unidentified correspondent] Mr. President, on 27 July you said that you would support the government until

the elections. A day later, Jaroslaw Kaczynski, head of the Presidential chancellery, sharply criticized the agricultural, economic, foreign, and internal policy of Prime Minister Bielecki's cabinet. I would like to find out whether this pronouncement was made in consultation with you, sir. If not, how did you receive it?

[Walesa] Ladies and gentlemen: I frequently hear and read how Walesa has dictatorial impulses, and yet, look what is happening even at the president's [as heard]. I allow everyone their opinion on various subjects. Here, of course, Kaczynski takes advantage of freedom, just like every other Pole. Of course, we have not become accustomed to what is said on behalf of the president or an organization and what is said privately. I don't know...[changes thought] Well, we haven't learned this, and often it looks like individual citizens working at the president's take a position with which I do not agree. Ladies and gentlemen: In many cases, I don't agree with the positions taken by ministers. Of course, we ought to learn when it is a ministerial position and when it is that of a private citizen. We are incapable of this. That is why we must learn, and we will learn. I think there will be fewer and fewer of these elements. I also wanted to say, against the background of this question, that my organization, that of the president, lasts only until the elections. By the force of circumstances, we will have to construct the whole presidential office differently after the elections, and it will be constructed. It won't be so political. Today, it looks somewhat political, but I am responsible. I promised during the elections that I would lead Poland to normality, and, within this normality, I must balance forces. There is a post-Communist force, and other forces which were already too strong to build pluralism, and, therefore, to balance these forces, I organized the presidency so as to achieve this pluralism.

[Unidentified correspondent] Do you, in this concrete instance, agree with Minister Kaczynski?

[Walesa] No, I do not agree with Minister Kaczynski because, really, my initial intention was to support the government until the elections. These elections were to have been in May. It didn't come out; it has all dragged out, again for a few more months. In association with this, there exists a certain chaos for which I did not allow. Now, the reorganization of all sorts of unions and other things would be disadvantageous for Poland. In association with this, today let us concern ourselves with encouraging society to participate in all that is taking place in Poland. Today, only the elites are trying to do something and are arguing with each other. Society is not organized. In relation to this, we very often do not address the subject at hand. We also do not address the subject at the president's.

[Leszek Gontarski], Warsaw Television Courier correspondent] Mr. President, Warsaw water is not suitable for drinking, and the emissions from the Siekierki electrothermal power station make it impossible to breathe. Thus, is Warsaw worthy of the title capital?

[Walesa] Ladies and Gentlemen: I wanted to say the following, that when I—you have probably forgotten—that when I began the struggle for the presidency, economists suggested to me that if Poland were to receive 10 billion [currency not specified] for internal economic circulation, then she would be saved. I want to tell you that all of this, and this example, this 10 billion, I sought to organize in this period. Again, I want to tell you that today we have more possibilities than we are capable of taking advantage of. Yesterday, I phoned Deputy Premier Balcerowicz with the question: Mr. Deputy Premier, how much money is there to exploit for the Polish reforms? He replied in very concrete terms: \$5 billion, almost \$6 billion. People, if we were capable of taking advantage of this, then Poland would be a different country. Poland would achieve normality. That is why you must all report that Poland has money organized in this period for the Polish reforms. There is almost 10 billion of it, if we were to add to this various companies, joint ventures, and others. We have the money for making a normal Poland, only we are incapable of exploiting this money. It is waiting for exploitation at a very low rate of interest. That is why you should encourage Poles to reorganize their work, their work enterprises, and make use of these resources. It would be a waste of my effort and the efforts of many people to organize this great sum for disposal and use. In this context, Warsaw too can reorganize itself and finally be a capital. There is money for all of this.

[Kazimierz Sobolewski, Radio France International Polish section correspondent] Mr. President, what do you see as the greatest threats to yourself and to the country?

[Walesa] I can see that we are not doing what we should be doing. Today, when there is freedom, when there are opportunities—and, as I say, there is even money, and we cannot use it all—today we must come closer to society. We must show, teach, encourage, and help. If we do that, Poland is saved, and Poland will recover very soon. Can we do it? This is the question today: Can we do it? Can you do it, the pole, both the farmer and the factory worker? The president and the government have gathered the power and the means; they are at your disposal. We cannot do your job for you. Of course, it is not that somebody applies for a loan of 500 million zlotys and he will get it. No, he must prove that we are not going to waste the 500 million like in the 70's, that we are going to make business with the money. In this regard, I need journalists. It was you who made the great Walesa; you and I defeated communism. Now, we have the means, so help me set Poland in motion. Enterprises are going bust today. Why? Because they are unable to reorganize themselves; they are unable to make proper use of powers and means; they merely wait for an earthquake. This cannot lead to anything good. That is why I am getting involved, and I am going to be a worker serving this cause. I think that, together with you, I will succeed.

[Unidentified correspondent] Mr. President, many politicians made a mistake and distanced themselves from you. Whom do you trust, Mr. President?

[Walesa] I have not come here to preside and to rule; I have come to serve. Anyone who wants to do something for Poland today should learn how to serve. If we can serve...[changes thought] Today we cannot, and this is because we locked ourselves within elites. There are a number of elites of different political orientations. They quarrel, but they have not come from the roots. They have no support. The public stands aloof. All these make us quarrel, move even further apart, and differ. We are different. The public has not been included in the circulation of blood. One must do everything possible so that the elites will encourage, or simply force, the people to participate and to address the point.

[Unidentified correspondent] Whom do you trust, Mr. President?

[Walesa] God.

[Maciej Jankowski, LAD Catholic weekly correspondent] While we are on the Subject, Mr. President, I would like to ask about relations with the church. There has been a wave of criticism of the church recently. One talks about clericalization. One says that the church gets involved in somebody else's affairs. You have always been very close to the church. I would like to ask you for your view on that kind of criticism. What real role should the church play in the democratic Poland?

[Walesa] Sir, I would have to divide this question up into three parts. What do people think of as the church? Some people think of it as the hierarchy, others as medieval buildings. The proper name of the church is: the assembly of all the faithful. Who have we got a grudge against? Against the buildings? Against our representatives? Or have we got a grudge against ourselves? I accept it. The church which I make up does not always understand itself completely. It isn't capable of understanding itself. If you divide this question up into three questions, I can give a specific answer.

[Zofia Kedziora, Polish Television correspondent] Mr. President, are you pleased with the government?

[Walesa] I must say, generally, no; but not because it isn't working, isn't trying, but because it doesn't talk to society enough. For example, each minister must, should, answer fairly (?frequently) and briefly, five minutes on television, what stage he has reached on the way to normality. On the way to normality, the internal affairs minister (?will) describe the situation regarding security and what he has done. Each and every government minister today must remember that he is there because the President is there too, so he bears, together with the President, the responsibility for everything the President promised, everything. (?To this day, I would) hold it against the agriculture minister: Why did he leave the farmers on their own? Why should the farmers be

punished for their good work? They have great achievements. If we didn't say earlier that we wouldn't buy wheat or grain, then we have no choice today, for with what will the farmer pay all his contributions, his tax, and buy his own things? That's why the thing that I regret most is that the farmers don't have a proper talk with their minister on what stage they are at on the way to normality. One can't avoid subjects. We must solve things. It may be difficult, but let's try to solve them together. Such speeches, long monologues, bore people. That's why the press spokesman and I have decided to set in motion questions to the president. The Press spokesman will put the questions in order—brief (?subjects), they won't be long—and will send them and ask: "Mr Agriculture Minister, tell us how you will punish the farmers for working well? What are your proposals for the farmers for next year, so that he'll have money and be pleased with the president [word indistinct]? Or the industry minister: Sir, what have you done with the shipyard? What solutions have you in mind? Why is it like this? Why (?are the shipyards not being reorganized)? Why does the shipyard not avail itself of the money? Why are people earning less? I'm not pleased because we are avoiding the issues, we are trying to ignore them and not to solve them. This is the worst possible thing. We must get into them and solve them. They are difficult matters, but if we do that, we will find the solutions.

[Pawel Tytula, GLOS POMORZA correspondent] I would like to return for a moment to the employees of your chancellery. Mr. President, Nancy Reagan, who is an acquaintance of yours, writes in her memoirs that the prestige of the president is built by the entire staff of his people. The employees of your chancellery, (?here and there), embroil themselves in various unnecessary—to put it mildly—frivolous controversies. Do these people measure up to the task that stands before you and will they before the elections?

[Walesa] No. These are people who wanted to work with me and who corresponded to the concept that was then being sketched. I repeat, I was putting together the whole concept until May, and this collapsed. This caused me complications. Here, even certain people did not measure up, and my concept did not measure up, but this did not depend on me. I very much wanted just to last up until May and reorganise. Now, I am running through the force of momentum. I am not now making a move, for if I were to make a move at this stage when there would suddenly be...[changes thought] that a vote of no confidence, that they helped me and are not helping me now, now I am betraying them. So to implement all of this intelligently, I repeat to you: The presidential chancellery will be reorganized into a nonpolitical chancellery after the elections, when it will be possible to do this. I cannot do this today, although I would very much like to.

[Unidentified correspondent] Mr. President, would this not calm down the fairly aroused social mood?

[Walesa] No. We will be meeting because I am joining in the discussion. There is much political struggle and not, not real scenes. Ladies and gentlemen: If we were to latch onto every visit this way, then—let us recall the trips to Lithuania; in their time, let us recall other trips—if I were to seek to latch onto the formulations at that time, then I would have made a great scandal of it. Let us not bring this to account, for we are learning democracy. This is necessary for the president and us in education. On the other hand, let us not attach such great attention and let us not make a substitute dispute. This must be improved; things cannot be like this. On the other hand, other faults and errors must be perceived and of other people. We can name names.

[(Edward) Jedrychowicz, ALPRES agency correspondent] Mr. President, I would like to ask what political parties, in your view, ought to constitute the right leg in the future parliament and which parties the left leg.

[Walesa] Again, ladies and gentlemen, if we want to be normal, if we want to resemble and to cooperate with various countries in Europe and the world, we ought to be similarly organized. I always return to this and will continue to do so. Such names as the Union or the Center Accord, these are names with which it is impossible to cooperate. It is impossible, because these are substitute names. I would like to reach normality, I would like them to be called christian, socialist, communist, such as could cooperate on similar principles with similar countries and parties. Of course, once again, at some point, this was good, necessary [word indistinct] but it cannot last. That is why I am waiting for journalists to encourage the broad masses to build real parties, with similar rules, aspirations, and programs. This must happen; this must happen during my Presidency. I have taken it upon myself to lead Poland to normality, and I will lead her there.

[Andrzej Jelenki, Polish Radio's First Program correspondent] Mr. President, where do you see the possibilities for awakening Polish society to action? How do you envisage the possibility of eliminating, as you mentioned, Sir, the division between us and them within the Republic?

[Walesa] Ladies and gentlemen: Our struggle, a peaceful struggle, was conducted by elites. The elites thrashed things out via the round table. Society was bypassed, represented [as heard], and so forth. This construction was not by public demand, not from the grass roots, and, therefore, it causes various [word indistinct]. I am waiting for the elites, together with the President, to encourage, to show that we must not be indifferent when such great things are happening, that we must organize, and that, organizationally, our approach must be from bottom to top and not from top to bottom, because things don't quite work from the top. I hope that, together with you, we will say that the fact that things are bad, that the farmer is ignored and disregarded, that things are not being sorted out for him, is his own fault, because he does not participate in life, because he does

not organize himself against all abuses by the authorities, the elites, and so forth. That is why I would like you to help me in all this, to awaken the spirit of patriotism and responsibility for a Poland which can be great. Dear ladies and gentlemen: Poland really does have considerable human and material capital, only it has stopped moving. Everyone is looking at everyone else, and no one is getting it going. Of course, this is the president's and the government's fault, but it is also society's fault. In the final resort, society [words indistinct] We won't go to the polls. Ladies and gentlemen: this is unacceptable. You are responsible for people going to the polls, so that they should say no to the president, so that they say no to politics, no to ministers, no to parties, but so that they should organize, because these individual no's mean nothing, these individual no's get lost in the crowd. These must be organized, and you must help Poland in all these things.

[Unidentified correspondent] My second question: How can the division into them and us, which you mentioned, be eliminated in the Republic?

[Walesa] What I said, by encouragement, by saying straight out: Gentlemen, if things are bad, it is the fault of us all, the elites and you, for you don't participate, for you are afraid, for you must do it, for you have to go to meetings, for you have to elect a village head, for you must change him; for you must change the minister and the deputy.

[Unidentified Correspondent] Czechoslovak Television: Mr. President, the presidents of the seven meet each other every week. Why have you, Mr. President, had so few meetings with President Havel and the Hungarian President?

[Walesa] Maybe it wasn't like that. The thing was that up to a certain time, I had the concept of helping Poland, with the debt and helping to organize forces and means for the reform. I did that. Czechoslovakia and President Havel have many problems, too, and we today are occupied more with ourselves than with European or external policy, even policy between ourselves. We are consigned to each other, and we will cooperate nicely, after bringing things under control, after driving our vehicles onto the right road. Hence, it isn't a slight. I have a very great respect for President Havel. I would very much like good cooperation, and it must happen, but after putting our most necessary affairs, or important affairs, in order.

[Unidentified Correspondent] RADOM: Mr. President, do you support the Senate resolution calling on the Government to check whether candidate deputies and senators were Security Service [SB] or military special service employees? What is your position on this?

[Walesa] I think that, of course, there are arguments for society knowing. After all, one can elect SB or Militia employees, and they have the nerve not to be ashamed—about today, the past, or tomorrow—to speak about what they did or [word indistinct] better. I don't think

there is a conflict. Of course, it leads to a muddle, but I think that, as a society, we will cope with this subject. I submit to the will of the majority and Parliament's resolutions.

[Unidentified Correspondent] [Question insistent]

[Walesa] Will I support (them)? Maybe.

[Agnieszka (Eyerman), Polish Radio correspondent] Mr. President, returning to your statement on the possibility of introducing a state of emergency. After that statement, your Spokesman had to explain that it didn't apply to the country's current situation. Don't you think that this type of need to explain your earlier statements only intensifies the chaos and anarchy you are constantly protesting against?

[Walesa] Dear lady, I once more repeat: This was after the great storm in reply to the statement by Zaleski in the states. I was asked: Is Poland threatened with, and so on. I replied: If I were asked if the reforms were to break down in Poland, if others were to lose dollars and we burn Poland, then would I be able to do this, I replied that I would be able to do this. I would be able to stand even alone against everyone and defend Poland. But, this is from another scenario. This is in the scenario of defending my cabinet. I am ready today to move out. I invite you. I live in a room 2 and 1/2 by 3 and 1/2 meters. I left my family at home, wife and children. I am here to serve and not to look after that which lacks taste. My allotment is nicer than this allotment. There is a wife there who loves me, and children are there. I left all of this for Poland; I left it because I will carry her through to normality. In this context, if someone asks me the question would I be able to defend Poland, I repeat 100 times that I will be able to defend Poland, even on my own, personally.

[Michal Mrozinski, AFP correspondent] You often say that the Balcerowicz Plan requires changes. What would you like to change concretely in the Balcerowicz Plan?

[Walesa] Ladies and gentlemen: I already, at the start, noted for you that we will be sending such concrete questions to people for competent responses. I do not like the fact that there is no encouragement, that there is money, but that it is not used. Of course, Balcerowicz, in short, restricting himself to his position, is acting correctly. He has held money back, is not giving it if there are no results. This is correct. On the other hand, there is lacking the other limb of this concept of his. The second limb ought to encourage and assist enterprises for restructuring themselves, for refurbishing themselves, for exploitation. This is lacking. This is why the Balcerowicz Plan is not turning out, because there is no second limb in this whole subject.

[Maciej Brzezinski, Radio Free Europe correspondent] Mr. President, you said that after the presidential elections your office will stand as if above politics, and until the time of the elections you will try to balance the forces. Do you not feel

that, in this way, your position and the position of your office—a very great one—that you are becoming a side in the electoral campaign?

[Walesa] If I were to answer precisely, you are right. But, sir, one cannot be a party if there is one side strong and large and a kind of communist counteroffensive, and I am not to be a party or even strong Solidarity, as an entity replacing the previous system. I, as the president, who publicly pledged many things and many promises he did not keep because he could not, I must repair Poland within five years. Normality means balancing the situation. I am doing it today. I have already been taking steps—in a day or two—for the president to be a president of all Poles, that there will be a front of national accord or something else, as this name became depreciated. [sentence as heard] It must be like that. I have come to serve all Poles. Of course, I am going to do it, but it is not every day that I can do what I want to do. Today, it looks like that; tomorrow it will be different. There will always be somebody who is not going to like it. I understand that, and today one can be dissatisfied, but one cannot do it differently. As best I can, to the best of my wisdom and with all my strength, I am striving to fulfill the main slogan: A Normal Poland During the President's First Term of Office.

[unidentified correspondent] ZYCIE WARSZAWY: Which political group or coalition will you support during the election campaign?

[Walesa] I do not know yet who will need my help. I would like three main forces to emerge in Poland today, three forces which would make up parliament and, with mutual support, would work out the best concepts for Poland's development. I will take care that the three forces emerge. What will they be like? It is difficult to say today. The things have not assumed a shape yet. But, I will watch, listen, and help. If I must help the left, then I will.

[Tadeusz Kucharski, Time-Life News Service correspondent] Mr. President, during the last two evenings, we could see on the television news "Wiadomosci" a shocking scene of removing equipment from a clinic of Professor Religa because there was no money. The money was put up eventually but by Gawronik and Art-B. There was also a grotesque conversation on rape procurement, in which state grain elevators, which should purchase the rape, have no credits for that, but some processing plants without storage facilities could have credits. In effect, a farmer has been left with its rape in the field. Will you react in such cases?

[Walesa] Immediately. That is why I say today that we collect the questions and such problems. Ladies and gentlemen: Let us not exaggerate. This is a great maintenance session, and a different philosophy of everything. That is why there is much mess and errors. Every revolution has a cost, and ours costs rape seed oil, chickens, and other things. This ought not to take place; this cannot take place, but it is difficult to preclude, with such a great maintenance session, many errors, and

many unresolved matters. This is our economic system, and you know it. It functioned differently, and before it fell apart there was one chain, and somehow it held together, held together with wire. Today, this chain has broken, and every link has gone its own way. It must now be got, and that is why there is a need for greater social commitment. Ladies and gentlemen: This poverty ought not to have been for a long time now. If we were to talk, if the agriculture minister briefly, every week for five minutes, were to speak about the most significant matters—precisely about, these chickens, about this rape seed oil—were to say that he cannot, that he will be forced, if you want then inform, he is, phone me, and so on [sentence as heard] if again, the health minister also had such contact and said well, well there is a mess here, too much money here, too little there, but specific cases to me please, things would be different, too. We are not speaking as elites, these ministers or the President. We are not speaking with the nation, and we are not helping it to solve the problems. I know that we couldn't do this either, but after the first lessons, time can do a little more, and that is why I, despite the fact that people will not like this, will participate in this game. After all, I could remain silent, I could sit and just legally appear as other Presidents, read two pages about the state of the nation, and go home. But one cannot look on when resources and concern are being wasted. We are wasting resources and concern. This 6 billion could already have made a factory and is doing nothing. Why has this not happened? It is lying in the bank, and we are suffering poverty. I cannot agree to this and will not agree to it ever.

[Krzysztof Skowronski, Radio Zet correspondent]. I wanted to ask why Poland is represented by Mr. Stanislaw Ciosek as the ambassador in the Soviet Union?

[Walesa] Ladies and gentlemen: I can say that, with this (?man), with Ambassador Ciosek, we had very good contacts in the period 1980-81. And here, for instance, when there are reforms over there, but these reforms have not yet gone as far as our reforms, a calm transition and understanding are needed. [sentence as heard] In association with this fact, Mr. Ambassador really is doing, for today, good work in that state of affairs because, today, for us here, we cannot have, any doubts. I agree with you. On the other hand, for the connection of a great revolution with a great country—an evolutionary connection—we want to have, despite everything, good contacts. Everyone else would have worse contacts. Mr. Ambassador has great contacts because he was of that power system, and we are controlling what he does and how or whether he deals with our points. He deals with them well, and today, really—I might expose myself here—but today, really, this is, this is one of the better ambassadors, in this state of affairs, in this concrete situation. This might not be to the liking of [word indistinct], we are at a different level in the revolution.

[Unidentified correspondent] Mr. President, there are two months to go to the election [word indistinct] things have warmed up a bit. What, in your judgement, will these two months be like?

[Walesa] They will be very hot, but the president will always have a mouthful of cold water and will try to pour it on hot heads, so that we should see Poland and not just our own interests. In this regard, we have, among other things...[changes thought] I will participate and will, so to speak, pour water on some heads and encourage, help some. Yes, that's my role. I said during the campaign: I'll be the regulator. I am the regulator, although I can work out worse as a president but better as a regulator.

[(Andrzej Morozowski) Radio Z correspondent] You use the word elite when speaking about the dangers. Who exactly have you in mind? Geremek? Michnik? Kuron? Kaczynski?

[Walesa] No, myself, too, myself, too. Ladies and gentlemen: [Words indistinct] we know today how it happened. Elites made the round table and introduced this struggle, but they didn't try to get a (?large) base. So, we are speaking our own language, and you radio reporters or journalists are generally saying that the Poles won't turn out for the elections. That's the answer to my question: The elites have no link, no roots in the masses. They haven't, and that's the attitude of society.

[(Morozowski)] Mr. President, could you mention a few names, which belong...

[Walesa, interrupting] I mentioned the president for you. I mentioned the president.

[Unidentified correspondent] Mr. President, we [words indistinct] we are looking for ways out, and our Poles, the Polonia living outside the country, are in a still worse situation. Could you give examples in Poland which they could guide themselves by, parties or forces which could serve as an example [words indistinct], which could help us in this difficult period and, by copying them, to become involved in this matter.

[Walesa] Ladies and gentlemen: We don't want to impose anything. We present various points of view on various matters. If they suit somebody, then we invite them, but there are so many problems and troubles that we haven't the strength to impose. We haven't the programmatic or the cadre strength, and, in view of this, we don't take on ourselves the authorship in anything else. On the other hand, it has to be taken advantage of. I hope that the journalists, in fact, will be the greatest force here, because they can (?act) on this subject too, but we must talk; we must look; we must show; we must encourage this and other kinds of cooperation. Once again, to end, I would like to stress that, if Poland availed herself of the accumulated possibilities and chances, financial and otherwise, she could join Europe in a short space of time. The whole drama consists of our not being able—we, the rulers and the ruled—we can't make use of the already accumulated forces and means. That's why it

makes me so sad; that's why I regret the waste. I worked so hard abroad! I actually sweated to gather it. It's there today, lying in the bank, and the Poles are complaining. They need it and don't know how to arrange it. Let's get ourselves organized, with the aim of managing those huge assets which we have managed to accumulate.

[Zbigniew Olejarczyk, GAZETA KIELECKA correspondent] Do you consider, in your calculations, that a considerable number of deputies representing the X Party may enter parliament.

[Walesa] Ladies and gentlemen: Everything is possible. As president, I must consider various options. Again, I read in newspapers that I have insulted Tyminski. I am sorry, I have never insulted Tyminski, and I never talked to him, and I never said that I was not going to accept Tyminski's democracy. I accept every different view, and I have proved it with cases of Slowik and Rulewski, people with whom I wrangled. When democracy put them forward to work with me, I was the first to send congratulations and to endorse an invitation to cooperation. I have a great respect for democracy, and if people have not been mistaken and have given their mandate to somebody, the president must respect it. Of course, I will do something to maintain balance, but I must respect democracy as has everybody in my place or surrender. Ladies and gentlemen: Of course, first plums after seven months are rotten, and the president has not done too well here either, but forgive me, there are many of you here, and I am the only one. I hope that, as we fought together—because, thanks to you, we have defeated the system—now I want to be thankful to you for helping me to achieve speedy reforms in Poland and to reach normality. This is possible, this is necessary, and this is in everybody's interest. I want you and me to succeed. We can succeed, as everything is on a good path. Greater involvement is needed, and you should prompt more patriotism in the nation, and it must bring effect, and Poland will be better. Thank you, ladies and gentlemen. We will continue to meet. Please, go easy with me as this has been my first such appearance, in quite a U.S. style, too. I did not even know what was set up for me here. I am glad, it was a pleasure, all the best. [applause] I even earned the applause, thank you.

Walesa Interviewed on Topics 'Bothering' Poles

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[Studio interview granted by President Lech Walesa to Andrzej Jelenski; date not given—live or recorded]

[Text] [Jelenski] I welcome you Mr. President on behalf of the listeners of Polish Radio first program. I would like our conversation to take up almost every topic bothering the Poles. How many governments are there in Poland?

[Walesa] Indeed, what is going on in Poland can make one not feel happy, including the president. I thought I could allow myself to stand above it all, and let it develop

without Lech Walesa, with Lech Walesa acting only as a regulator. It has been unsuccessful. In this connection, beginning with your interview, I am starting to take an active part in the reforms. The reforms are entering a crucial moment of our history. But, what is going on today is quite far from anarchy, yet what is taking place, one has to take as following a certain pattern. We are overturning the old system completely. I do not think that anybody can be nostalgic for the old system. If one had hoped that it could have been preserved or that one could carry on like that, let him take as an example the Soviet Union. There, the system lasted 20 years longer, and see what is going on there today, and what is still going to happen. What we are doing, we are doing in the right direction. What we are doing is extremely difficult, but we have no choice. We have, however, to talk more, and to understand each other better. I am going to strive after such understanding every week, beginning next Tuesday, guiding and helping processes, which are not understood enough, in which there is a lot of struggle, but not enough examples and not enough issues close to a normal, simple man.

[Jelenski] The time is difficult. People are suffering hardship. I saw an inscription on a wall of a block of apartments: The president travels, the nation starves.

[Walesa] Of course, one can say that in a nutshell. But I was doing it on purpose to give the government the chance to get acquainted with the matter of governing. But it is high time after this six months of ruling by the president to make a confession before the nation about what we have done and what we have not, and what we have done wrong. Such a confession will be made every Tuesday until further notice.

[Jelenski] The dependence of our economy upon the Soviet Union is no secret.

[Walesa] The Soviet Union; the economic conception there was different. We were somewhat in a chain of the communist system. Now the chain has snapped. This breakage is causing frightful perturbations. But if we told ourselves, still back in the 1980's, that we were changing the system, then we must consistently change it. This is very difficult, because we want to do this more quickly than the West. We want to construct a system, to say that this system (?has) prosperity, has a better life, freedom and democracy. But with accelerated transformation, there is much mess, much misunderstanding, and much dissatisfaction. [Words indistinct] it is necessary to see the breaking of the system that caused the mess and confusion. This must be put in order by us. And this putting in order is not going too well for us at the moment. But it can go well for us, if we will talk, if we do things together. There are too few forces taking part in the appropriate putting in order, and too many people are struggling for these changes. This is rather more through their own private affairs.

[Jelenski] Mr. President, you have announced the suspension of trips around the world and the start of putting things in order in the republic. How will you start?

[Walesa] I want to say that these foreign trips have given worthwhile results, and they were necessary. I made them. And I waited until society got fed up, and until more people joined the company of the satisfied and dissatisfied, to the reforming of the country. And it has happened. Now it is necessary to concern oneself with the country, and that I intend to do.

[Jelenski] But what will you start from?

[Walesa] From open meetings, weekly ones, as I did in Solidarity. For the time being, we will hold them with journalists only. On the other hand, later, we will hold open meetings with social groups, farmers, entrepreneurs, workers, and there we will speak live, we will be asking and answering immediately what it is necessary to do, because intelligence and strength reside precisely in the nation, and not only in the capital. Many elites have gone wrong already.

[Jelenski] Sir, observing our economic moves, it is noticeable that the economy continues to be centrally directed. And we are to move toward a free market.

[Walesa] I listen to questions journalists ask in different places. I do not know why we differ so much and why we do not understand each other. I would continue to ask just one question: Are we proceeding in the right direction, and at which stage are we on the road to normality? And now one could say this: There are three main subjects in social life—political, social, and economic subjects. In the social and political subjects we are on the right track; we have gone far to reach normality, and we are not lapsing into anarchy. On the other hand, as far as the economic issues are concerned, we have gone far, but we have to describe it differently.

Well, as far as economic issues are concerned, we are proceeding toward a normal economy, that is basically an economy based on the dollar, and on converting into dollars in every possible way. I try to understand everything on the basis of my example. So: I was an electrician in 1989 when I was leaving... [changes thought] in 1988 when we were organizing strikes, and I left for voluntary work. It was then, when on the highest shipyard grade, I was earning \$20. If I had been in the same place today, and a colleague, who now works there in my place, working as an electrician in the shipyard, well, he earns between \$200 and \$300. So, as far as the direction toward normality, to converting everything to dollars—and this is what normality, to converting everything to dollars—and this is what normality is about—we have come 10 times, more than 10 times, nearer to normality. If we could maintain this tempo, this tempo of changes until we reach normality, as far as earnings are concerned, then in two or three years we should be earning \$2000, i.e. the amount which people earn in the United States. Nobody can dispute this, I (?can) prove it.

[Jelenski] Mr. President...

[Walesa] No, stop, stop, stop. I have not finished yet. Well, this is just one way as far as earnings are concerned. And now about prices. Well, somebody may ask about prices. Well, our prices are world prices, but we earn only as much as 10 times toward normality. [as heard] And now this: Why have we touched upon the subject of prices? We have done this because simultaneously we wanted to open up to normality, that is, to foreign countries. [as heard] We could not open up to normality at the time when we had prices as we did, because simply they swallowed us. They would buy [words indistinct], and they would earn money on this, because we would have to buy from them, sell here but [word indistinct] prices too low, and this would end in paranoia. That is why we had to make the worst move for society, the move to increase prices: This was a necessary evil.

Today we would have to proceed at the same speed, but we cannot increase prices because we have openings for foreign goods. If anyone tries to raise prices in Poland—we have examples such as butter and other goods—then he will not sell his goods because he will get them cheaper from the West. Thus, there is some normality in it. But how can we earn enough within two years to multiply our earning 10 times. This is the question, but the direction to normality is maintained. Our earnings have become 10 times stronger, but they are still 10 times too small, and if wise guys did not correct me, and if they produced in that period those 100 million [figure only as heard] for everyone, which I mentioned, then Poland would already be privatized and I would be able to say: My darlings, the president demands that earnings be on the Western level. And you, private entrepreneur—because every second person would be a private entrepreneur—give people a chance to earn, or earn for yourself, 10 times more. But we did not manage to do this. Privatization was thwarted; therefore it lies again in nobody's hands, so there is no efficiency, there is no competition, which is 10 times greater, and that is why we cannot sell our products. Our products are not competitive, and at this juncture the Soviet Union—one of our most important customers—falls. Therefore, let us not think today about whether or not our way is correct, let us not ask if we are proceeding in the right direction. Today, we should think how to earn.

I feel sorry for farmers, because they were not prepared. They produced goods, yet today, for their good work, they will be punished.

That is why something must be done, so as moves toward this normality can indeed begin from agriculture, and maximally assist the farmer.

[Jelenski] Mr. President, a raindrop carves the rock. In association with this, let us continue this topic. There is a real threat that Poles will not be able to stand these transformations. Unemployment and the recession continue to be troublesome.

[Walesa] That is so because, again, whose fault is it that our products are uncompetitive, or that we have been flooded by the West? I will put it differently. Every revolution has a cost; one shoots, demolishes, burns, and then rebuilds, even for a bowl of soup; ours has not shot, has not burned, has not demolished, but ours is still a revolution. There are revolutionary changes to an economic system, and in this we do not have a choice. Of course, today we can say: no, things are bad, we are closing the border, we are not letting in goods, and we will step in our mutual juices. Of course, for the time being, this would even be a little better, but this is not connected with the development with which we are concerned. We must grit our teeth, we must start to produce that which is necessary, what we have, and increase our earnings on that basis. Of course, it is best to start from agriculture, from all kinds of help, this is the only road. There is no other.

[Jelenski] Everyone is irritated, people are quite simply irritated, that when there are questions addressed to you about things being bad, you unchangingly reply: Take matters into your own hands. Are you suggesting the creation of, say, a Solidarity 91?

[Walesa] I go for all solutions that do not change the direction, that assist a person to earn money, to sell his goods. We do not have anywhere to sell our goods, because there is a general mess and the chain has broken, but it had to break as we are building a different system. Our enterprises, built here and there, were uncompetitive, were political. With the change of system they must change. This system cannot be changed by any government; this must be a change. People must take enterprises, everything, into their own hands, find a solution for themselves, so as to earn more, and not wait for someone to do something. The worst situation is with agriculture. I most agonize, even cry over, agriculture, for the farmer has worked well, and did not know that he will not be able to sell his produce, for there was always too little of it. The minister of agriculture should say: We will be seeking this, that he will be meeting once a week, for five minutes, and will say: dear farmer, as I did not warn you in time—and as the government I ought to have warned you in time how to run things—I must buy your goods today, because you must have enough for payments, for tax, for insurance, and other things. And so, products must be procured. But next year the farmer must be told: dear farmer, I will not need rye, wheat, or whatever. I will not buy it from you. On the other hand, I can buy, I don't know, horseflesh, mutton, other things. So, peasant, adjust your profile, because I will not buy any more. But I cannot hurt you now, so I have to give you an opportunity, so that you have time to readjust. That is what the government is for, the state administration is for. This has not been (?done).

[Jelenski] Poles require a change of mentality. Meanwhile, many of our frustrated countrymen say: Commies, come back.

[Walesa] Of course, I too would like to be 18 years old. That system was no good. For, even the Soviet Union is talking about this. That is why we, at the last moment—and it is good that we first—moved, but these changes are frighteningly difficult. That is because this system touched all of us, the economy and everything. We must change everything, only let us try to talk together, let us try to change things together. Too few people are taking part in all of this. Only elites are taking part, they are struggling for power, while people are struggling with difficulties. Even for me, in polls, it recently transpired that I too want to strengthen my power. I do not want any power, I want, as quickly as possible, to move out of the Belweder Palace! But I came here so as to lead the country through the reforms. Very difficult. And now, in association with the fact that they are not going well, in association with the fact that politicians are struggling for power, that all of this is (?as it is), I am joining in and will change it.

[Jelenski] Have you any way of stimulating people into action? Let's not deceive ourselves, the overwhelming part of society is interested in having—sorry for the formulation—a full feeding bowl.

[Walesa] That is so, and that is also why it is necessary to distribute, return, sell Poland to the Poles. It is necessary to return to my idea of 100 million zlotys for the Pole, so that he buy an enterprise, so that he can buy a house, so that he himself can attempt to do that which the government, the president, and others are incapable of doing. Himself, in his own enterprise, part of an enterprise, home, he will do this.

[Jelenski] In your view, is this privatization not proceeding too slowly, and when it comes to the taking over the social, national assets, will it be just a scrapyard.

[Walesa] Look, I am only loyal to those principles and those aims that we have marked out for ourselves. I might do this badly, but that is because there is no social support, there is no commitment, there is a general fear. The commies will not now come back, we can make a revolution [word indistinct], we can shoot at each other, and at the president. On the other hand, we must in any case do what the president says, only, quite so, the old mentality, the old system deflects, the old system defends, the old system does not want anarchy in the mess, sees the hiding of its frauds, even those that have taken place recently. Others see in this anarchy the possibility of getting to power, taking over power, and this is dangerous. Rather this does not give access to people and topics that in fact are taking place in life, in the countryside and in the towns. In association with this, I am trying to change it.

[Jelenski] In the view of many Poles, the matter of the electoral law was a substitute topic.

[Walesa] No. (?Above all) I wanted to arouse that which we must build. That means I wanted to arouse party feeling in Poland, I wanted the three or four strong groups to be forced into strong party groups, because it is

better to come to a reconciliation, come to an agreement with them than with 460 deputies of whom everyone will be from a different party. Of course, this will be awful. I cannot do anything now, but now this is a contract, with one lot defending the possibility of not being brought to account, and others wanting power—hence the struggle. That which I proposed was better, but it did not succeed. Democracy must be honored, but it is also necessary to shape this democracy. I did not shape democracy. I thought that it would run on its own. I made an error.

[Jelenski] In association with this, is there a chance that, despite this, and not some other electoral law, this parliament will be a parliament not having a political face?

[Walesa] No, the president will not allow this.

[Jelenski] There exists a genuine danger that on 27 October people simply will not vote. We cannot exclude this.

[Walesa] Yes, if things go as they are going now, then there really is such a danger. But seeing what is happening, seeing that somebody wants the normal people—who are angry, who are dissatisfied, who are in trouble—not to vote, because otherwise only those who wish to preserve old orders, or those who wish to take over such orders, and make their own coteries, as we knew them before, will be voting. The president cannot allow this. That is why he is here. People went to the ballot box. People even voted against the president. But they would organize themselves and work better than the president. [as heard]

[Jelenski] There exists a genuine danger that post communists, or Tyminski's party, may win the elections.

[Walesa] Of course there is such a possibility, but again as president I am convinced that I will not allow this sort of thing to happen, that I will demonstrate to the society with which I am going to meet what should be done, and how to defend themselves. That is why defense is needed here. Social organization is necessary. In the name of one's own rights, one's own interests [word indistinct] give up the field, and somebody else will take it. And he will do such things as are happening now.

[Jelenski] I heard opinions that President Lech Walesa covers Prime Minister Jan Krzysztof Bielecki's government with a protective umbrella.

[Walesa] Yes, I wanted to prepare these young people to govern. I wanted these young people [words indistinct] parties, but healthy ones, so that they learn all this, so that Poland can move to normality. I protected, I protect, and will protect this arrangement until the elections, because within the next three months we will not build another. It needs to be corrected. We will do it in the elections.

[Jelenski] Mr. President, concrete moves are necessary for Poland, the Polish Republic. Do you have any vision, Mr. President?

[Walesa] Of course, I have a vision, only having this vision I switched myself off, as I only wanted to be a regulator. Well, there is paralysis everywhere [as heard] The old forces of the old order are referring to demagoguery. Here is an example of Urban, who had been doing what he wanted. He is doing it now, and nothing can be done against him. [as heard] Because those old hands [words indistinct] can do it well, they have money, and hide themselves behind great laws and others, and keep on doing what they were doing before, and they take liberties without restraint. That is why free elections are necessary, so that those people who do not wish to go to the ballot box will make up their minds and vote, and change this arrangement so that finally all that which the nation wants—and not the elite, people who only have money—can be resolved.

[Jelenski] You were in favor of fast transformations, does this limit the president?

[Walesa] Of course, I tied my hands myself at the Round Table, then again the constant appeals to the law, to democracy, and that is why every move is paralyzed, every move is tied down, and nothing can be done. Nothing. Simultaneously, a struggle is in progress, a struggle is in progress where there again are quite a few arguments, a struggle divided between the Chancellery and the president—these are all substitute fields, all of this is not liked by society, and not by me either. Simultaneously—as I have raised this topic—of course the organization of the president today has a different aim and will be subject to diametric change after the elections. This organization was just until the elections. After the elections, the president will erect himself as the president of all Poles, a nonparty president. And just as he had no choice until now, he had to oppose the old nomenklatura and the new, which was already raising its head.

[Jelenski] I apologise for this question, but it ought to be put. The republic needs the authority of a president, and respect for his person.

[Walesa] Yes, only I thought that I would force the nation to work, to organize itself through being a nonactive president. I succeeded in some measure, but not altogether. In association with this, I must help Polish democracy. I must provoke arguments, meet with people, make remarks, encourage, stimulate, even force—of course, in the framework of the law—activity, as bad things are taking place.

[Jelenski] Is it the result of dog days that President Lech Walesa, from being a warring president, has become a residential president?

[Walesa] Of course, these [word indistinct] activists wanted to chase me into the Belweder Palace, they wanted to shut me up using such laws that do not allow me to do anything. I tried to defend myself, I [word indistinct] to attack. Well, it did not come off. That is why I must bring about an election, because then there will be greater understanding. These forces will also be a

little reduced, and will allow me to actively participate. Active of course in the framework of the law, but this law must allow for work. Here, the law is a hinderance to a person's life.

[Jelenski] You recently said in [word indistinct] if you had to deal with anarchy, large-scale strikes, then I would have to depend on force.

[Walesa] That is so. I am responsible for the historical continuity of the state. I am responsible for the state. And if some force, because I know that people are dissatisfied, that I know, but people do not want to (?fit in with things), but, and certain forces, elites, attacks on destruction. [sentence as heard] In association with this, I, as the president, would have no choice. I would never like to take advantage of this, but in defense of Poland, even alone, if I did not have support, then I will myself stand up in opposition to everyone, with the aim of rescuing Poland.

[Jelenski] Mr president, I also have to put this question. What remains of the ethos of Solidarity?

[Walesa] That means what? I told you earlier, that we had through the whole [word indistinct], the whole struggle, we were to change to another system, to a system of social prosperity, because [words indistinct]. And now, at various times, various things must be achieved. One of these achievements is the fact that I sit here as the president, not for a career, but only so as to resolve these problems that we then created as the ethos. [as heard] We have succeeded in much, very much. On the other hand, in these fundamental matters, we have not succeeded in much. But this depends on us, this depends on many other cases, apart from us. That is why today the ethos of Solidarity is the struggle for representation, for government, for government and service for the nation, service for the farmer, helping him, and not leaving him to his own devices, not to let him rescue himself, to let him do something over there. That is why today the ethos of Solidarity is the mutual struggle for the Poland such as then created the ethos. But in another place, for another task. Social and political pluralism already exists, only we do not take advantage of it. But it exists. On the other hand, it is worst in the economy. If we are to succeed in these years in (?perhaps) getting to normality 10 times, then we have America. [as heard] This is possible when we find [word indistinct] our goods, when we produce that which is required, when the farmer knows what he can sell and also have good earnings, when we help him to have good earnings, and when the government does not divide into blocks, farmers, and someone else, and cause conflicts.

[Jelenski] You mentioned the economy. How do you assess the plan of Deputy Prime minister Leszek Balcerowicz?

[Walesa] Of course it was good, only again it assumed this : I will not give you something for you to do your own [ownership] transformations. He did not say what to do next. He is not to blame for that. Balcerowicz's

plan did not prompt this. He only said briefly: I will not give you; you go and look; we could not look for the past 50 years. The same situation applied to the Ursus mechanical plant, or others, and the market collapsed. We did not help find solutions for large enterprises [words indistinct]. But again, we can defend ourselves with what? Well, we can defend ourselves: neither could we, neither could we govern. [as heard] We also knew that one needs to block, and counted on everybody else coping. Well, they did not. The blame lies both on one side and on the other, although more on the side of the government and the president.

[Jelenski] [Words indistinct] politicians in Poland do not appreciate the power of the social communications media. There exists an opinion that television is the most important, and one, Mr. President, somehow forgets about the radio.

[Walesa] I also made this mistake. The things that are happening today: President, in the courts, in all this, this is my fault; I failed to appreciate the media, that many of the mass media were taken over by one or the other sides, and they are doing what they are doing. [words indistinct] show who is there, what he is doing there and why. This is everybody's right, but [passage indistinct] also for others. We will try to do just this.

[Jelenski] Mr. President I would like to end this conversation with a certain point, one that is totally detached from politics. Some people say that President Lech Walesa has no sense of humor.

[Walesa] I have, but there is no time for humor these days. Now is the time for reform, which is at the most difficult moment, and depends on [word indistinct] whether we will stand the strain. That is why we will laugh soon if we keep the tempo of earning, and in two years' time we will all laugh. And I will tell the finest jokes.

[Jelenski] thank you very much, Mr. President, for the conversation.

Walesa Meets With Party X Leader Tyminski

LD3107033191 Warsaw PAP in English 1743 GMT
30 Jul 91

[Test] Warsaw, July 30—President Lech Walesa received leader of the "X" Party Stanislaw Tyminski in the Belvedere Palace on Tuesday, a day after the latter published an "open letter" critical of Walesa's political bias.

Walesa told his guest that in the oncoming election campaign it is necessary to abide by norms of political culture. "Social dissatisfaction, just as it is, should not be used in irresponsible actions aimed against the interests of the state," Walesa said.

Tyminski spoke of errors in the political policy of the government, which in his opinion hamper the introduction of structural changes. But he promised to support

the president's actions aimed to preserve a climate of responsibility during the election campaign.

Walesa said that "the election campaign, although conducted by various political groups and parties, should rally us around the implementation of the reforms facing Poland."

Tyminski Comments on Meeting

LD3107035591 Warsaw TVP Television Network in Polish 2113 GMT 30 Jul 91

[Interview with Stanislaw Tyminski, leader of the X Party, by unidentified correspondent, in Warsaw on 30 July—recorded]

[Excerpts] Lech Walesa has received Stanislaw Tyminski, leader of the X Party. [passage omitted]

[Correspondent] What prompted your decision to meet a man whom you fought during the presidential campaign?

[Tyminski] First of all a personal telephone call by Mr. Walesa to our office with an invitation to the Belvedere Palace. It was our first meeting since the election campaign in the autumn, and I hope it will not be the last. The president shares that hope. If our party will be able to help the president, and I think that in the difficult political and economic situation he needs help from the people he can trust. [as heard]

[Correspondent] Does it mean that this is a permanent peace or rather a temporary truce?

[Tyminski] During the election campaign, as well as after, we are not going to attack the president either as a private person or his office. The president assured me that he was going to be above political divisions and that he would strive for pluralism in parliament. So, he is not going to allow any political party to have a monopoly. I assured him that there is no danger of this from the X Party. I do not think that we will win the election with a large majority, but I hope that we are going to be an important force in the future parliament.

[Correspondent] But what kind of force—opposition or pro-presidential?

[Tyminski] In opposition to the policy of Mr. Balcerowicz.

[Correspondent] What about the president's policy.

[Tyminski] Well, the conversation was too short to talk in depth about the president's policy, and I hope more meetings will follow.

Tyminski Says Party X Will Run For All Seats

AU3107095891 Warsaw PAP in English 1600 GMT 27 Jul 91

[Text] Warsaw, July 27—The Party "X" will go for the elections alone planning to offer candidates for all seats in the Sejm and Senate (lower and upper houses, respectively), leader of Party "X" Stanislaw Tyminski said on arrival from Canada at the Warsaw Okęcie Airport on Saturday.

He told his supporters that dictatorship is ruling Poland where civil war may prevent holding the parliamentary elections. He hopes "the government of Mr. Balcerowicz" will go soon because there is no economic development in Poland.

Opinion Poll Views Presidential Conduct

AU3007175091 Warsaw RZECZPOSPOLITA in Polish 26 Jul 91 p 2

[R.W. report: "The Sejm Was Right, Not The President"]

[Text] The Sejm was right in the dispute about the election code and displayed more goodwill than the president, is the conclusion provided by a survey conducted by the Public Opinion Research Center.

Fifty-six percent of the respondents said that the Sejm's version of the election code, calling for voting for parties and individual candidates at the same time, was better than the president's version, which called for voting for parties only. Twenty percent said the opposite.

Forty-eight percent said that the Sejm was right to reject the president's second veto. But 25 percent said the opposite, and another 25 percent had no opinion. Most respondents agreed that following the Sejm's rejection of his second veto, the president should have adopted the Sejm's version even if he did think another version would have been better.

Thirty-five percent of the respondents said the Sejm was right in the dispute, and 21 percent said the president was right. Twenty-five percent had mixed feelings, and 19 percent declined to comment.

More people thought the Sejm had displayed a greater amount of goodwill in this matter (21 percent) than the number of those who thought the president had done so (19 percent). Almost 60 percent of the respondents opposed the idea of dissolving the parliament because of the differences of opinion concerning the election code. Half of the respondents said it would have been undemocratic to dissolve the Sejm, while 16 percent disagreed.

Almost every other respondent said that the president's latest actions are the result of a desire to draw people's attention away from major national problems and consolidate the president's position. Practically the same number of people were convinced that Lech Walesa

supports a specific party and wants to guarantee its election success. A solid majority of the respondents thought the president should respect the constitution in force and recognize the present Sejm until the new elections.

Thirty-nine percent of the respondents said the president's present powers should be preserved, 30 percent said they should be increased, and 12 percent said they should be decreased.

Opinions about the Sejm's two years of activity were divided. The percentage of respondents with a negative opinion (36 percent) was almost equal to the percentage of those with a positive one (38 percent).

Solidarity Chairman on Election Plans

AU3007134791 Warsaw RZECZPOSPOLITA in Polish
25 Jul 91 p 3

[Interview with Solidarity Chairman Marian Krzaklewski by Tomasz Roguski; place and date not given: "We Will Not Form a Government"]

[Excerpts] [Roguski] The "Solidarity" congress decided to put forth lists of candidates, but nevertheless permitted the possibility of a joint list with other groups. At the same time, it decided that the union may support the candidates of other groups, and even merge its election list with those of other groups and thus form a bloc. Does that not mean an election alliance?

[Krzaklewski] No, it does not. The union is starting off in the election independently. The bloc concept means that if "Solidarity" wins more votes than it needs in order to establish a limited presence in the Sejm, it can transfer the excess votes to persons and groups that are acting for the sake of the democratic reforms that were commenced by "Solidarity" in 1980. In those voting districts in which "Solidarity" regional managements decide not to put forth voting lists for the next parliamentary elections, we will be able to support the lists of other groups that suit us. [passage omitted]

[Roguski] There is talk of a presidential coalition sponsored by Lech Walesa. Would "Solidarity" support such a coalition if the president requested this support?

[Krzaklewski] I do not think such a situation will come about. In any case, "Solidarity" has decided not to enter into a coalition. Of course, if the president did ask, the National Commission would consider merging its election list into a bloc with the others, on account of the union's strong support for Lech Walesa's candidacy.

[Roguski] How strong could the conflicts within "Solidarity" in connection with the elections be?

[Krzaklewski] I have always said we must protect the union against the effects of natural external political squabbles. The campaign will certainly not effect the union. It seems to me that the decision to put forth separate lists diminishes these divisions. There is still the

question of merging lists into a bloc and there will also be efforts to transfer representatives of other big parties onto "Solidarity's" list. But that is something which the union's members and authorities will decide.

[Roguski] In what way will the group of parliamentary deputies be organized?

[Krzaklewski] We want to form a "Solidarity" deputies club.

[Roguski] How many deputies should there be?

[Krzaklewski] If the pro-reformist forces that originated in "Solidarity" win, our Sejm representation should be no smaller than the group of deputies who will place before the Sejm the package of workers legislation drafted by the All-Polish Trade Union Accord.

For the sake of cohesion, the union will take part in the elections in order to safeguard the reforms it started. Therefore our parliamentary representation may turn out to be larger. But there is no need to fear, "Solidarity" will not form a government! This time a choice must be made between an excessively strong "Solidarity" presence in the Sejm and an excessively strong presence of post-communists and crypto-communists.

Ursus Plant Workers on Indefinite Forced Leave

LD3007174391 Warsaw PAP in English 1440 GMT
30 Jul 91

[Text] Warsaw, July 30—Workers of the insolvent Ursus tractor factory near Warsaw and its branch in Lublin, south east Poland, will go on a forced leave for an indefinite period starting August 5. Ursus spokeswoman Elzbieta Olech said here Tuesday.

This is so because the factory management failed to find the means to keep production in the two plants going. The factory's debts to the state treasury and banks total 1 trillion 200 billion zlotys.

The crews of the Warsaw works and the Lublin metal works affiliated to Ursus number over 15,000 workers.

Forced leave will also cover some 100,000 persons—the crews of some 300 factories which until last July 1 were affiliated in the tractor industry group, now dissolved.

Ursus Solidarity union leader Janusz Sciskalski said that the time of leaves should be used for introducing necessary reforms and organizational changes with a view to helping the factory recover.

There are several variants of saving Ursus, among them a moratorium on its debts till the end of this year, or new credits of some 350 billion zlotys to start continuous production again.

Right now the Ursus factory has no money to pay overdue ages for last June and the passing July.

The spokeswoman for the Mazovian chapter of the Solidarity union in Warsaw said there is no reason yet for the union's regional authorities to intervene over the forced leaves of the Ursus crews but stressed that the union attaches great weight to the fate of the factory. Negotiations are underway as to the Ursus's future, Warsaw chapter Solidarity leader Maciej Jankowski is reported as saying.

Parliamentarians Discuss Trade Treaty With U.S.

AU3007182491 Warsaw GAZETA WYBORCZA
in Polish 27-28 Jul 91 p 2

["aj" report: "Will We Win or Lose?"]

[Text] On Friday the Sejm decided to ratify the treaty on trade and economic relations between Poland and the United States.

In it, both sides commit themselves not to violate ownership rights in the intellectual sphere, i.e. technology; licenses for the manufacture of chemical, pharmaceutical, and electronic goods; and also computer programs.

The Sejm adopted a resolution that provides an interpretation of some of the treaty's provisions. The Sejm ruled that because the treaty's provisions are not retroactive, the treaty cannot serve as a basis on which to demand the withdrawal of computer programs "regardless of how they are used." It is necessary to hold negotiations with the United States to apply a patent to U.S. products only when the agreement on Poland's

association with the EEC requires this. The Sejm also placed the government under an obligation to make efforts to improve the situation of Polish firms exporting goods to the United States.

The treaty was signed by President Bush and Prime Minister Mazowiecki in March 1990. The U.S. Congress ratified it in December. The Sejm did not receive the treaty until April 1991.

Some deputies have criticized the treaty. For example, Deputy Jan Czaja (Polish Peasant Party) said on Friday: "Poland is not a country of technological innovation, so we have nothing to protect. Instead, we are going to pay for the use of American technology."

Jozef Oleksy (Parliamentary Club of the Democratic Left), explained: "Once signed, the treaty cannot be altered. Its ratification lies in Poland's interests. There are enough places in the world where the Americans can invest. American capital will not come to Poland unless we protect foreign inventions. The adoption of international norms concerning intellectual property means that our firms will no longer copy other people's ideas and will start seeking their own solutions. They will try to compete with other firms."

Marcin Swiecicki, minister of foreign trade in the Mazowiecki Government, recalled that American law envisages economic sanctions against countries that do not respect American intellectual property.

"Indeed, there never used to be such harsh rules concerning the protection of inventions, patents, and computer programs, but that cannot be helped," said Andrzej Kostarczyk, vice minister of foreign affairs.

Dijmarescu Sees Waiver in Jackson-Vanik Amendment
AU3107103291 Bucharest ROMPRES in English
0847 GMT 31 Jul 91

[Text] Bucharest ROMPRES 31/7/1991—At the end of an official visit to Romania of a U.S. delegation led by John Robson, U.S. deputy secretary of the treasury and assistant coordinator of the U.S. aid programme for central and East European countries, Romania's Economy and Finance Minister Eugen Dijmarescu told the press that in his opinion, the mission marked the end of an U.S. official evaluation of Romania's policies, intentions and situation, and that action was now expected both ways.

The state of Romanian society and its economy and the concern to improve it were outlined during the talks as well as the assistance that the U.S. could give, Mr. Dijmarescu said.

Problems that had long strained the Romanian-U.S. relations were also taken up he went on, showing that the American side gave assurances that Romania's discriminatory treatment would soon be suspended through a waiver of the Jackson-Vanik Amendment on trade in food, equipment and investment, and mutual trade would be financed by the U.S. Export-Import Bank. There was mutual wish for the bilateral trade agreement in force to be activated but also for negotiations to start on a new agreement to reflect current realities in Romania that should incorporate the MFN status as a steady provision.

The American side showed that there was a gap between political and economic action, and between that and the people's expectations, minister Dijmarescu said. The beneficial effect of a deep change of system cannot show in every individual's income overnight. The U.S. delegation made a point during their talks with President Iliescu and with Prime Minister Roman that people ought to be told that their expectations would be fulfilled eventually, but they had to be patient and trust the programmes we must achieve, Mr. Dijmarescu said.

UDMR Regular Meeting Examines Domestic Issues
AU3007164891 Bucharest ROMPRES in English
1538 GMT 30 Jul 91

[Text] Bucharest ROMPRES, 30/7/1991—The national presidium of the Hungarian Democratic Union of Romania (UDMR) held an ordinary meeting in the resort of Balvanyos, in Covasna County, on July 26, 1991.

The presidium, a communique sent to "ROMPRES" shows, considers that the active participation of deputies and senators in the debates on the privatization bill means respect for the rules of parliamentary democracy. The UDMR parliamentarians' participation in the debates does not represent an obligation to the ruling

party or to the bill advanced by the government, nor does it mean separation from opposition partners. Owing to the amendments suggested by the UDMR a number of essential proposals were included in the law.

The presidium also discussed proposals for the preparation and course of local elections and established the necessary steps.

As for the statement by the Civic Alliance congress on the rights of minorities, the UDMR presidium considered the document as an important stance on the part of the democratic forces in Romania.

Nastase, Others Meet U.S. Treasury Official
AU3007182291 Bucharest ROMPRES in English
1750 GMT 30 Jul 91

[Text] Bucharest ROMPRES, 30/7/1991—Monday afternoon, 29 July, Governor Mugur Isarescu met, at the seat of the National Bank of Romania, with the delegation headed by John Robson, U.S. deputy secretary of the treasury and deputy coordinator of the U.S. Systems of Assistance for Eastern and Central Europe, who are now in Romania on a three days' visit upon the invitation of the Romanian Government.

In a statement to a ROMPRES editor at the end of the interview, Governor Mugur Isarescu said the talks had been focused on furnishing the American side with data about the progress Romania had made in the economic reform and about the fields to which the assistance offered by the American specialised institutions should be oriented.

The visiting U.S. delegation led by John Robson met Monday, 29 July, the Romanian minister of commerce and tourism Constantin Fota. Minister Fota said that there were good signs for the relaunching of the relations between Romania and the United States. "We could expect immediate steps in this respect," he added.

In his turn, the U.S. party said it was willing to grant technical assistance to Romania in what the system of customs under the conditions of the market economy is concerned, and modernisations in home trade and tourism.

On Tuesday, July 30 Romania's Minister of Foreign Affairs Adrian Nastase received John Robson, U.S. deputy secretary of the treasury, member in the committee coordinating aid for Eastern European countries.

Mr. John Robson stated to the press that during the interview the stress was laid on the ways of developing the relations between Romania and the United States, analysis being made of the domains in which technical and economic assistance for Romania could be increased.

On Tuesday the delegation headed by Under-Secretary of State John Robson, U.S. deputy secretary of the

treasury and assistant coordinator of the American programme coordinating aid for Eastern European countries, had a short interview with Theodor Stolojan, president of the National Privatisation Agency.

On the occasion Mr. Robson reasserted the American Government's intention to back the privatisation process in Romania.

The last contact between the American delegation headed by Under-Secretary of State John Robson and Romanian officials on July 29 and 30 took place Tuesday afternoon when the delegation held talks at the Romanian Development Agency headquarters with its president, Misu Negritoiu.

Aspects were debated concerning the programme of technical assistance for Romania as well as the possibilities to promote American investment in the conditions of negotiating and signing the bilateral agreement on investment protection.

"We agreed that there are certain areas which this accord should refer to and that, if the accord was signed, American investors would benefit from a perfect framework to invest in Romania. Of course, provided that we should work for the preparation of the home infrastructure and investment climate," Misu Negritoiu stated to a ROMPRES agency editor.

"Mr. Robson conveyed us that the United States are ready to help Romania to embark on the path of democracy and of the market economy and he said we have no reason to fail and the United States will help us to succeed," the president of the Romanian Development Agency added.

Iliescu, Roman Meet Official

*AU3007165491 Bucharest ROMPRES in English
1535 GMT 30 Jul 91*

[Text] Bucharest ROMPRES, 30/7/1991—After his more-than- one-hour interview with President Ion Iliescu at the Cotroceni Palace on Tuesday, July 30, John Robson, U.S. deputy secretary of the treasury, assistant coordinator of the U.S. Programme for Aid to Central and East-European countries, said that President Iliescu and he had had an excellent, friendly talk on various issues and that he was optimistic experiencing the feeling that the talks would help the relations between the American and the Romanian peoples.

On behalf of the U.S. delegation and on his own behalf, the guest expressed regret over the consequences of the floods in Moldova and compassion for the families affected by that disaster.

During the talks palpable modalities were looked into whereby the United States may support Romania by granting technical assistance in privatization, legal systems, trade, health and other areas. At the same time, President Ion Iliescu reviewed the developments in Romania after the

December 1989 revolution and pinpointed the difficulties the country's economy encounters.

The interview was attended by Mrs. Coral Adelman, administrator for Europe and the Middle East at the U.S. Agency for International Development, Mr. Eugen Dijsmarescu, minister of the economy and finances, and Mr. Alan Green Jr., U.S. ambassador in Bucharest.

Prime Minister Petre Roman received at Victoria Palace Mr. John Robson, U.S. deputy secretary of the treasury and assistant coordinator of the American programme coordinating aid for Eastern and central European countries.

During the interview analysis was made of the ways in which the United States could back the reforms initiated in Romania.

Senate Passes Privatization Bill

*AU3007163291 Bucharest ROMPRES in English
1531 GMT 30 Jul 91*

[Text] Bucharest ROMPRES, 30/7/1991—With 64 votes for, 13 against and two abstentions Romania's Senate endorsed the bill on the privatization of commercial companies with state capital on Tuesday, July 30.

Voting against the bill were the senators in the Hungarian Democratic Union (UDMR) group, Marcian Bleahu from the Ecology Movement, and Sergiu Nicolaescu, who made a statement before the vote accusing government representatives of "trying to consider that, under certain circumstances, parliamentarians are easy to handle."

Showing the reasons behind the UDMR decision, Szabo Karoly said: "As compared with law 15/1990, this law is a stride backwards. The creation of these centralized bureaucratic structures deprive citizens from the promise made to them, that is, the distribution of securities accounting for 30 per cent of the value of the nominal capital of commercial companies." Pointing out that the UDMR group and the representative of Ecology Movement had decided to attend the debates because they had agreed to privatization, the speaker rejected the privatization variant resulting after the debates. "Our vote against this bill entitles us to support in the next sitting a fundamental amendment of the law and we will take the necessary steps towards what we suggested," the speaker said in conclusion.

"The law we adopted is but a technical law, a natural continuation of law 15/1990. In the outlook of the National Salvation Front, this law highlights the continuity of an electoral programme, the continuation of a number of options made when the current government was inaugurated, the leader of the majority group, Senator Vasile Vacaru, said. The speaker showed that the law was good and it included a number of amendments suggested by the opposition.

A procedure for inter-chamber mediation starts on July 30 in the evening.

SRI Purges Securitate-Linked Officers

AU3007160091 Bucharest ROMPRES in English
1432 GMT 30 Jul 91

["Communique from the Romanian Intelligence Service"—ROMPRES headline]

[Text] Bucharest ROMPRES, 30/7/1991—In consideration of the rapid changes in the Romanian post-revolutionary society, which entail as rapid changes in the strategy and tactics of circles of influence interested in Romania, and of the stringent need to place our institution on a par with the requirements for competence and loyalty imposed by the current geopolitical situation of the country and taking account of the fact that with the exception of Romania all the east-European countries maintained redutable special services [as received], which are well organized and highly efficient, a communique sent by the press office of the Romanian Intelligence Service [SRI] shows, the Steering Council of the Romanian Intelligence Office agreed on the immediate application of steps enabling a definition of the organizational structure and the composition of the personnel according to professional competence and loyalty to the national destiny. Consequently, a substantial number of officers were dismissed from among the active military staff and from the offices held—most of them officers who were reactivated when the institution was created by the former Securitate secret police.

Parliament Endorses National Bank Board

AU3007190691 Bucharest ROMPRES in English
1743 GMT 30 Jul 91

[Excerpt] Bucharest ROMPRES, 30/7/1991—[passage omitted] During the Tuesday proceedings the Assembly of Deputies endorsed by secret ballot the nominal composition of the Administration Board of Romania's National Bank proposed by Adrian Severin. The following were elected: Mugur Isarescu, governor of Romania's National Bank and chairman of the Administration Board; Emil Izvari, deputy governor of the National Bank and vice-chairman of the Administration Board; Corneliu Croitoru and Vladimir Soare, deputy governors of the National Bank and members of the Administration Board; Constantin Ionete, Costin Kiritescu, Silviu Cerna, Lucian Ionescu and Filip Lungoci, members of the Administration Council of Romania's National Bank. [passage omitted]

Flood Damage Estimated at 3 Billion Lei

AU3007190391 Bucharest ROMPRES in English
1816 GMT 30 Jul 91

[Excerpt] Bucharest ROMPRES, 30/7/1991—Following the analysis and findings on the spot made by the governmental commission headed by Prime Minister Petre Roman together with the data received from the Ministry of the Interior in connection with the consequences of the floods in the country, the situation on Tuesday, July 30 was as follows:

In Bacau County: 46 people died; 63 are missing; damaged houses—972; flooded houses—3,834; damaged crops—3,022 hectares and flooded crops—2,420 hectares; dead animals—4,38; missing animals—1,703.

Neamt County was also seriously affected: 3 people died, 114 houses were damaged and 1,000 houses flooded, 2,500 hectares crops were damaged, 120 animals died.

In Suceava County 2 people died, 2 are missing, 4 houses are damaged, 230 houses are flooded, 10 hectares crops are damaged.

Other affected counties are: Vrancea—2 people died, 40 hectares crops were flooded, 800 sheep were isolated; Iasi—35 flooded houses, 20 dead animals; Buzau—the county road was destroyed on a 600 metres length.

Estimates show that the damages are worth 3 billion lei.

The Government's Press Department announces the opening of the national aid fund for the affected people and the flooded areas in Bacau, Suceava and Neamt Counties. [passage omitted]

Danube Protection Protocol Signed With Bulgaria

AU3107075791 Bucharest ROMPRES in English
0725 GMT 31 Jul 91

[Text] Bucharest ROMPRES 31/7/1991—Romania's minister of the environment, Valeriu Eugen Pop, who visited Sofia on 29 and 30 July at the invitation of his Bulgarian counterpart Dimitur Vodenicharov, signed a Romanian-Bulgarian protocol for cooperation in the protection of the environment along the Danube. The Bulgarian Government's measures concerning the nuclear plant at Kozloduy were presented to the Romanian side and a prompt information programme was agreed on the state of the environment on the two banks of the Danube.

During his visit, the Romanian minister was received by the president of the Republic of Bulgaria, Zhelyu Zhelev, and by prime minister Dimitur Popov.

Federal**Branko Kostic on 30 July Presidency Session**

*LD3007191691 Belgrade TANJUG Domestic Service
in Serbo-Croatian 1803 GMT 30 Jul 91*

[Text] Belgrade, 30 Jul (TANJUG)—“We have again failed to hold an expanded session of the SFRY Presidency with the republican presidents, because Croatian president Franjo Tudjman did not come,” Vice President of the SFRY Presidency Branko Kostic told TANJUG and Belgrade TV. Kostic specified that today the Presidency should have discussed the Federal Executive Council program on the functioning of the systemic institutions during the 90-day moratorium on the unilateral Slovenian and Croatian decisions on secession from Yugoslavia, which was endorsed by everyone in line with the Brioni Declaration. Kostic then went on to say:

“The second item which should have been discussed today was the opening of a political dialogue about the future order in Yugoslavia. These two issues are outstanding from the expanded Ohrid Presidency session; they were not discussed then because Mr Tudjman walked out of the session. All attempts to postpone today's session for a few hours in order to ensure Mr Tudjman's attendance were in vain. The last SFRY Presidency session, held on 26 July, discussed only one topic: the situation in Croatia and the implementation of the 9 May Presidency decision. Mr Tudjman failed to come to that session. Instead, he sent the deputy minister for internal affairs. It is obvious that this is a deliberate obstruction of the work of the state Presidency and other federal institutions. It is also clear that Mr Tudjman and the Croatian leadership are unwilling to take part in our efforts to try to find a peaceful way out of the dramatic situation in Yugoslavia. Hence, we have postponed today's expanded Presidency session until further notice because it was pointless to hold talks about such important issues without the Croatian president. We have held the Presidency session with tomorrow's agenda: the realization of the latest decision on a cease-fire in Croatia. The latest Presidency session concluded that ways of implementing the cease-fire should be determined and that a state commission which would oversee and monitor the implementation of the cease-fire agreement, should be set up.”

With six votes for and two against (Stipe Mesic and Janez Drnovsek), the presidency appointed Presidency Vice President Dr Branko Kostic chairman of the state commission [državna komisija].

Stjepan Mesic cited this appointment as the reason for leaving the session, which was still under way, Kostic said. He continued: Stjepan Mesic mentioned that the basic reason for his disagreement concerning my appointment was my visit to Borovo Selo yesterday. He said that by visiting Borovo Selo yesterday, I was visiting the terrorists. Of course, not only was I unable to accept this qualification, but I made the evaluation that those

persons should be considered terrorists who by applying state terror drove the—up to yesterday—peaceful and industrious citizens, not only in Borovo Selo but also the citizens of other areas in Croatia populated by Serbian people, to take arms into their hands to defend the homes where they had been living for centuries.

It is obvious that Mr Mesic and I view the assessment of the situation in Croatia in a completely different light and that in this respect we differ completely. However, his exclusivity and attempt to disqualify me because of these differences as a Presidency member and as the SFRY Presidency vice president are unacceptable, especially since both he and the public know full well how he was elected president of the SFRY Presidency. I personally could have a major reason for a similar disqualification every day, but I have never brought up this issue.

“These are the times when a dialogue is needed and, at least a minimum of mutual tolerance, especially at such responsible posts, because the search for a peaceful solution is in the interest of all of us. Nevertheless, it seems that neither Mr Tudjman nor Mr Mesic want a peaceful solution of the crisis and that their behavior is synchronized. With such behavior, they are taking a great responsibility upon themselves, but in front of the Croatian people and in front of all the Yugoslav nations and nationalities, for the consequences that could arise from such behavior. I will personally do everything I can while I am at the SFRY Presidency, to help create conditions for a constructive dialogue, but the consent of all is needed to seek a peaceful solution, especially the consent of the most responsible representatives of Croatia. We have agreed, at the continuation of the session, to prepare proposals for the implementation of the agreement on the cease-fire and to continue the Presidency session tomorrow at 1500. I will personally try to make sure that Mr Mesic and Mr Tudjman take part in the session. I believe that it is not necessary to emphasize that any talks on the agreement on the cease-fire, without the presence or the consent of Mr Tudjman, would be meaningless”, said Kostic this afternoon following the SFRY Presidency session.

Session Meets Without Tudjman

*AU3007133891 Belgrade Radio Belgrade Network
in Serbo-Croatian 1300 GMT 30 Jul 91*

[Text] The expanded session of the SFRY Presidency, which was scheduled to be held in Belgrade today and at which the talks started in Ohrid were to be continued, has been postponed because Croatian President Franjo Tudjman has not arrived.

The Presidency members agreed to hold a session today anyway. At this session they (?discussed) the implementation of the decisions and conclusions from the previous session regarding a cease-fire and a report on talks in Brussels.

The session is also attended by the presidents of the Republics of Bosnia-Herzegovina, Montenegro, Macedonia, Slovenia, and Serbia, and by the top federal officials.

After a break, the session should have resumed at about 1500.

Official Says Economy on 'Verge of Collapse'

LD3107100991 Belgrade TANJUG Domestic Service
in Serbo-Croatian 0918 GMT 31 Jul 91

[Text] Belgrade, 31 Jul (TANJUG)—We are on the verge of a total collapse in the economy, Bozidar Marendic, federal secretary for development, said today at a joint session of the Committees for Finance, for Economic Foreign Relations, and for the Credit-Monetary System of the SFRY Assembly's Chamber of Republics and Provinces. According to him, an imbalance in the balance of payment poses the greatest problem. Unless something is done soon, he warned, we will have to declare a unilateral moratorium, which would result in an economic boycott of the country, a break in connections abroad, and by implication, a large drop in imports, exports, production, and social unrest.

What we need is an agreement on measures in order to avert the collapse of the economy and to gain necessary time, Marendic said.

Mesic Assails Kostic, Serb Actions

LD3007202991 Belgrade TANJUG Domestic Service
in Serbo-Croatian 1911 GMT 30 Jul 91

[Text] Zagreb, 30 Jul (TANJUG)—"At the beginning it looked as if everything was all right. However, Borisav Jovic then proposed that Branko Kostic be named chairman of a commission charged with formulating the measures. I opposed this since Dr Branko Kostic has been accusing Croatia beforehand, declaring it to be the sole offender. As you know, two days ago he visited Borovo Selo unannounced and on that occasion made a speech in which he said that there were no outlaws, no terrorists, only an armed people fighting state terrorism," Stipe Mesic, president of the SFRY Presidency, stated this evening for Croatian TV in explaining why he walked out of the Presidency session today.

Mesic went on to say: "Such a man cannot be chairman of a commission responsible for preparing the documents and monitoring the cease-fire because he is biased. After that, I walked out of the session since it would be suicidal on my part to talk in such circumstances or to make decisions that are bound to be unproductive."

Regarding the next session and his presence at it Mesic said: "We shall see how things develop. Today Kostajnica was bombed. The health center is burning, the school is burning. I have heard that the kindergarten is burning. It means that the situation is changing. I do not know whether negotiations are at all possible when one side, and they are Serbian representatives, do not want

internationalization. At any price they want to avoid the troika coming here; they want to avoid EC observation. This being the case, the matter has not been resolved for us. In the final analysis we must be aware that this is not a conflict between the Serbs and the Croats. It is a conflict provoked by Greater-Serbian quarters who want to extend the territory of the Republic of Serbia at Croatia's expense. A war of conquest is involved here, where no choice is made as to the weapons used during which certain military commanders cooperate with the outlaws."

"Since this side refuses to accept it [as received], an attempt is being made to show that the Serbs in Croatia do not want to accept the Croatian authorities and to make this point to the world and domestic public. We believe that the balance of forces being what it is, it is impossible to objectively perceive the situation, and this is why the problem should be internationalized sooner rather than later," Stipe Mesic, President of the SFRY Presidency, told Croatian TV in conclusion.

Leader of Slovak Minority on Grievances

AU3107082391

[Editorial Report] Bratislava PRAVDA in Slovak on 26 July on page 5 carries a 2,000-word interview with Michal Spevak, chairman of the Slovak National Heritage Foundation in Yugoslavia, by Boris Latta and Julius Loerincz entitled "We Do Not Want To Return to the 19th Century." The interview, the place and date of which are not given, deals with the situation of the Slovak minority in Yugoslavia.

Asked about the strength of the Slovak minority in Yugoslavia, Spevak says that according to the last Yugoslav census, more than 63,000 Slovaks live in Vojvodina. One of every nine members of the Slovak minority (the exact figure is 7,451) is a member of the Slovak National Heritage Foundation in Yugoslavia, which "renewed" its activity on 5 August 1990.

Speaking about the activities of the Slovak National Heritage Foundation, Spevak says that the focus of its work lies in education, which is crucial for the preservation of the Slovaks' identity. In this connection he complains that "there are villages in which 68 percent of all children are Slovak but they do not have the chance to acquire complete education in their mother tongue. They only have voluntary classes in Slovak, some sort of cultivation of the language three times a week outside the regular instruction process. This only means an additional burden for the children. Moreover, they lack a certain incentive because they receive no grades for these lessons. But in some villages, such as Side, with a Slovak population of 2,150, Slovak children have not had even these kinds of lessons for the past six years."

Spevak concedes that "from the formal viewpoint," according to the Yugoslav and Serbian Constitutions and other laws, the Slovaks enjoy full-fledged equality. He deplores, however, that "compared with the past we

are left to our own devices." He points out, for example, that the new Serbian law on education, which is now being prepared, "no longer provides for the specific needs of ethnic minorities and does not guarantee schools for minorities, as has been the case thus far." Under the draft law a parent who wants his child to be educated in his mother tongue must submit a "special application." The Slovak minority "regards this as some kind of 'labeling' of people." Moreover, it regards it as "illogical to have to apply for something that is our right." Another point of the draft law to which the Slovak minority objects concerns the minimum number of students in a minority class. Until now 15 children were required to form a class with Slovak as the language of instruction. The new draft fixes 30 as the minimum number. Spevak also calls it "absurd" that "Serbia has a ministry that looks after Serbs living outside the republic but no ministry for minorities living in Serbia."

Asked whether Slovaks "feel threatened" by the domestic political situation, Spevak says that "some Serbian deputies are sending us to the 'upper country' and are already dividing up our houses and farms." He adds: "You ask whether we feel threatened? When you see the feeling of being threatened spreading in a nation of 9 million people, it is clear that you as the minority do not feel like laughing. We cannot say, however, that we are being persecuted or that anyone makes us feel like 'second class' citizens."

Asked where the Slovak minority "stands" in the conflict between the Yugoslav nations, Spevak replies that "although certain circles have been bringing pressure to bear on the Foundation to make us support one side or another, we have decided not to issue any statement. We support everyone who fights for truth, sovereignty, the right to self-determination, and the preservation of his own identity. This is what we want and what we wish for everyone else."

International

Presidency Endorses Upcoming EC Visit

LD3007172791 Belgrade TANJUG Domestic Service in Serbo-Croatian 1636 GMT 30 Jul 91

[Excerpt] Belgrade, 30 Jul (TANJUG)—[Passage omitted] "The session concluded that decisions on the implementation of the 26 July SFRY Presidency decisions on a cease-fire in Croatia should be prepared. Branko Kostic, Vice President of the SFRY Presidency, was elected the head of the working group (state commission) for preparations and supervision of the implementation of this document. The draft decision will be submitted to the SFRY Presidency when it resumes its work tomorrow at 1500. Representatives of the Republic of Croatia will be invited to the session."

President of the SFRY Presidency Stipe Mesic walked out of the session in protest at the election of Branko Kostic to the mentioned post.

In the continuation of the session, chaired by Vice President of the SFRY Presidency Branko Kostic, member of the SFRY Presidency Vasil Tupurkovski briefed the Presidency about talks with the leadership of the Republic of Croatia in connection with the 26 July SFRY Presidency's decision on a cease-fire in Croatia, and informed them that Croatia has accepted the decision in principle.

Federal Secretary for Foreign Affairs Budimir Loncar briefed the Presidency about the outcome of talks which the Yugoslav delegation had with the EC Council of Ministers in Brussels. In connection with this, the SFRY Presidency discussed aspects of a further EC-Yugoslav cooperation on resolution of the Yugoslav crisis.

The SFRY Presidency endorsed the proposal that the EC Council of Ministers sends the EC troika to Yugoslavia on Saturday, 3 August, to hold talks with the SFRY Presidency and other federal officials. The talks will focus on the implementation of the Brioni Declaration, other topical issues regarding the Yugoslav crisis, and forms of EC help for a resolution of this crisis."

Belgrade Mayor Opposes 'Blue Helmets'

LD3107020691 Belgrade TANJUG in English 1948 GMT 30 Jul 91

[Text] Borovo Selo, July 30 (TANJUG)—Mayor of Belgrade Milorad Unkovic said on Tuesday that the "arrival of any blue helmets in Yugoslavia is unacceptable."

Unkovic headed a Belgrade City Assembly delegation on a visit to Borovo Selo near Vukovar. This village in Slavonia, a region in the northeast of Yugoslavia's Republic of Croatia, has been the scene of continuous clashes between its armed inhabitants and republican armed forces.

Talking to the delegation, President of the Vukovar Town Assembly Slavko Dokmanovic said that the "arrival of international delegations, announced now, does not mean much to us because they probably wrote reports on the results of their visits in advance."

In agreement with top Yugoslav Federal officials, the EC foreign ministers decided in Brussels yesterday to send the ministerial troika again to Yugoslavia on Saturday, to "talk with all those who should enable a ceasefire in Croatia."

"It is our final decision not to live any longer either in the Republic of Croatia, or together with Croats," said Dokmanovic. "If we do not win, those who survive should better move out than remain exposed to violence..."

"We are in war, amid an information and economic blockade, cut off from the rest of the world, the only link with which is a barge across the Danube," pointed out Dokmanovic.

Serbs in Vukovar and Borovo Naselje are permanently exposed to terrorism from members of the Croatian Interior Ministry and National Guard.

Premier of the Serbian Autonomous Region [SAR] of Krajina Milan Babic said today that Krajina was not within jurisdiction of the Republic of Croatia. Therefore, he said, "work of the EC observer teams does not relate to Krajina."

The SAR Krajina, which comprises 13 predominantly Serb-populated communes and municipalities, last year unilaterally proclaimed its separation from the Yugoslav Republic of Croatia. The proclamation was prompted by discontent of Serbs in Croatia with their status under the Constitution and acts of the new Croatian authorities which do not recognize Krajina.

EC Mission Meets With Skepticism in Croatia

AU3107160791 Hamburg DIE WELT in German
31 Jul 91 p 5

[Carl Gustav Stroehm report: "EC Mission Meets With Skepticism"]

[Excerpt] Zagreb—The activities of the EC mission in Yugoslavia are regarded with skepticism in Croatia. The dispatch of another 500 EC observers to include Croat territory, which has been more or less left out so far, in their activities (so far the activities have been concentrated on Slovenia) is also not viewed with particular optimism.

The EC observers who have already arrived ride through the country in white off-road vehicles with the circle of stars against a blue background—the European emblem—or they fly in repainted white Netherlands military planes. In Slovenia, where there has been peace so far, they were seen on the occasion of the first withdrawal actions of the Yugoslav Army. So far, they have visited some smaller towns in Croatia. They have not yet been seen near the immediate "frontline" of the Croat-Serbian fighting.

The headquarters of the mission is a hotel at the end of the Zagreb-Rijeka superhighway. It is frequented by most of the taciturn observers, who are completely dressed in white. How hard communication must be for them, not only because of language problems, was shown during a discussion between a Netherlands member of the observer mission and Croat journalists. He reproached the Croats for dealing too much with history and the past. A Croat commented on this: "It is easy for him to talk. In the Netherlands, history has not been made since Napoleon—except perhaps for the few years of World War II. However, in our country an excessive amount of history has been made for centuries—and it is even written with blood."

As one Croat sarcastically remarked in a discussion, one cannot get the crisis under control with the "second string of Europe"—with countries like Portugal, the

Netherlands, or Luxembourg. No Serbian army officer or partisan respects a Netherlands or Portuguese civilian who gets out of a helicopter in white trousers. He said literally: "What is needed here are several dozen German, British, and French generals and colonels in combat dress with pistols in their belts. This would perhaps impress them." [passage omitted]

Serbian Deputies Against Some EC Observers

AU3007114491 Vienna Oesterreich Eins Radio
Network in German 1000 GMT 30 Jul 91

[Text] In Serbia's assembly a group of deputies has brought a motion to exclude Germans from being EC observers. Austrians should not be permitted to participate in the EC group of observers either, the motion says. It is considered certain that the motion will be adopted by the Serbian parliament.

Further on Serbian Views

LD3007131791 Belgrade TANJUG in English
1016 GMT 30 Jul 91

[Text] Belgrade, July 30 (TANJUG)—A group of independent deputies in the parliament of the Yugoslav Republic of Serbia has demanded that Germany, Austria and Hungary be immediately excluded from European groups participating in settling the Yugoslav crisis, as the Belgrade daily POLITIKA says today.

The independent deputies' proposal to the Serbian parliament recalls the defeats of the respective countries in the two world wars and their "strong historical complex" which emerged from the defeats caused by some other countries, including Serbia, that is, Yugoslavia.

As the reason for excluding the three countries from resolving the Yugoslav crisis, POLITIKA cites an "impudent directing for a new retailoring of the map of Europe and new Hitler-like occupying the Slav and other non-German peoples," as well as the "underhand restoration of fascism."

"Germany, Austria and Hungary should be excluded from the work of the EC, the European Parliament, the CSCE, the Helsinki Committee, the Adriatic hexagonal and other international institutions which have been discussing the Yugoslav crisis of late," POLITIKA sets out.

These are the countries whose arms are used by Croatian policemen, guards and parish priests to shoot at Serbs in the Yugoslav Republic of Croatia, as the daily says.

The deputies demanded that the Serbian government, the Serbian president and other competent organs immediately adopt a resolution and submit to the international community a request to that effect.

'Krajina Government' Views EC Mission*LD3007162891 Belgrade TANJUG Domestic Service
in Serbo-Croatian 1440 GMT 30 Jul 91*

[Text] Knin, 30 Jul (TANJUG)—“A special decision should be adopted concerning the presence and work of a monitoring mission on the territory of the Serbian autonomous region of Krajina, which will come into force only after the government of the Serbian autonomous region of Krajina has ratified it.”

This is stressed in a statement of the “Krajina government” which was read out to journalists at a news conference in Knin today by Krajina prime minister Milan Babic.

Krajina, the statement says, does not come within the authority of the Croatian government, and hence the work of the EC monitoring missions cannot refer to Krajina, although its government holds that “the state terror of the Croatian government over the Serbs in Croatia has assumed such proportions that the involvement of Europe and the world in the protection of the Serbs, in light of dimensions of that terror, is understood.”

The statement notes—which was particularly stressed by Milan Babic—that the entry of mixed patrols into the territory of Krajina “including members of the Croatian National Guards, will be considered an act of aggression and will meet the only possible reply.”

Milan Babic also spoke about measures being taken to enable the normalization of life in this area because of the presence of various blockades and also the further formation of joint bodies with the region of Bosnanska Krajina. Replying to a journalist's question, Babic said that even if Croatia now decides to remain in the federation “the secession of Krajina from Croatia is an irretrievable and completed process. The Serbian autonomous region of Krajina will not be a part of any independent and autonomous Croatia.”

'Confidential' Croatian Instructions on EC*LD3107101391 Belgrade TANJUG in English
0904 GMT 31 Jul 91*

[Text] Belgrade, July 31 (TANJUG)—The Belgrade daily BORBA today published the contents of a confidential instruction by the Croatian Interior Ministry to the chiefs of police stations on “what is to be said to the members of the European Community (E.C.) mission when they come for information talks.”

The document, distributed on July 30, said the “mission would want to hold free talks” with civilians as well as with policemen and police chiefs, and gave basic guidelines, as BORBA set out.

The first guideline, according to the document published in BORBA, is that civilians should be informed spontaneously, through policemen, about what to say to the mission.

The members of the E.C. mission “should be told that the withdrawal of the Yugoslav People's Army (JNA) from Slovenia did not contribute to the easing of the general situation in the republic, that the complex situation was caused by terrorist attacks on ‘legal authorities’ and that no ethnic conflicts were involved,” the instruction said.

“Citizens of Serbian nationality must not be identified with terrorists. It should be said that terrorist enjoy support by Serbia and the JNA,” the document, published in BORBA, said.

The document also advised that the E.C. mission be told that Serbia and the JNA were “simulating” their concern over the citizens of Serbian nationality, while “actually fighting for parts of the Croatian territory.”

The Croatian Interior Ministry's instruction is already being practically implemented, as BORBA has learned.

Slovenia**Socialist Deputy Smole on Government Crisis***AU3107091691 Vienna DER STANDARD in German
31 Jul 91 p 2*

[Interview with Joze Smole, deputy of the Socialist Party of Slovenia in the Slovene parliament, by Samo Kobenter; place and date not given: “Slovenia's Government Coalition in Crisis”]

[Text] For many years, Joze Smole served as Tito's ambassador to Moscow. He was considered to be his confidante, he accompanied him as his personal secretary, and was one of the most influential personalities of Slovenia. Many people refer to him as “Father Christmas,” because it was thanks to his influence that Christmas was accepted in the official calendar of celebrations in a Yugoslavia that was strictly communist at the time. Since the democratic changes, Smole has been a member of the Slovene parliament as a deputy of the Socialist Party.

[Kobenter] Mr. Smole, the war is hardly over and now the government coalition seems to be breaking apart. In a meeting of the Demos government coalition on 29 July, Defense Minister Janez Jansa demanded that the government head, Lojze Peterle, resign in favor of Interior Minister Igor Bavcar. This demand was turned down. Now a commission, which includes Peterle, is to deal with the issue of a government reshuffle. Why is there such disagreement?

[Smole] Reshuffling the government has been a subject of debate for some time. Originally, the reshuffle was intended to move in the direction of a government of

national unity, subsequently of a cabinet of experts and scientists. What is going on now stands totally outside the framework of democracy. The opposition was neutralized; we see movements of power within the Demos block. It seems that along with his friend Defense Minister Jansa, Interior Minister Bavcar is trying to eliminate government head Peterle.

[Kobenter] Through their unyielding attitude during the attack on Slovenia, Jansa and Bavcar have increased their prestige enormously. Are the two men now trying to capitalize on the fighting and seek advantages in domestic policy?

[Smole] Right now, people certainly have the impression that we are strong in defense and successful in our police activities, but weak in the economic sphere. The government is mostly criticized for its lack of economic and social programs. Now as then, the Yugoslav Federal Government is in control of the monetary system that we want to abandon. What is the good of having our own currency, when all foreign currency reserves are in Belgrade and we lack the necessary cover? Even before the war, there was a hole in the budget and it has certainly not become smaller through the war. I suspect that we are in for a dirty economic war for which we are not prepared. Still, I doubt that the defense and interior ministers, whose ministries are costing us enormous amounts of money even now, have a solution.

[Kobenter] What solutions do you see?

[Smole] There are not many. We will have to increase our foreign debts, because there is no money for us in Yugoslavia. The issue of demilitarization will also have to be put on the agenda. For economic and social reasons Slovenia cannot afford to pile up more arms. Our salvation would be complete neutrality and disarmament, which should be monitored by the EC.

[Kobenter] In other words, further internationalization of the all-Yugoslav problem?

[Smole] I have always been against internationalization, but at this moment there is no other solution. Croatia cannot secede from Yugoslavia and Slovenia will not be recognized as a sovereign state, even in the long run. The concept of European unity from the Atlantic to the Urals is in direct contradiction to the secession of small states. However, everybody in Yugoslavia seems to have gone mad. While Europe is banking on integration, we are founding separatist nation states. Negotiations are impossible at the moment, and one can only try to stabilize the situation. Afterwards, it has to be made clear to the Serbian officials that Yugoslavia's crisis has to be solved at its starting point—in Kosovo. They must understand that each people, including the Albanians, must be granted equal rights.

Pucnik on Alleged 'Putsch' in Government

AU3007125791 Ljubljana Radio Slovenia Network
in Slovene 1015 GMT 30 Jul 91

[Interview with Dr. Jozе Pucnik, president of Demos Council, by Radio Ljubljana correspondent Gojko Brvar on 30 July—live or recorded]

[Text] [Brvar] Dr. Pucnik, today's issue of DELO speculates on the so-called putsch that the defense minister carried out at the latest closed session of Demos. How much truth is there to this?

[Pucnik] It is nonsense. There was no putsch. What took place was an interesting debate, proposals by which we would raise the efficiency of the government's work. That was all. Unfortunately, we tried to keep these matters among our own circle, because names, actual persons, were also involved. And, of course, journalists who did not know what was going on speculated a little, but unfortunately guessed rather badly.

[Brvar] Well, a certain displeasure, especially with the economic program of this government, or with the implementation of this program, does exist within Demos.

[Pucnik] Of course, from the very beginning. I think that this is justified. We try to supervise the government's activities as much as possible, and we try to press within the Demos Council over and over again to improve the efficiency of the work of the government departments. There are certain sensitive points that are known to the public. Let me mention them—we could have closer coordination between the individual departments, we could have more efficiency, it takes too long before an idea turns into draft law and before the full process of the draft being proposed to parliament takes place. Of course, sometimes, there is also lack of ideas on definite current issues.

[Brvar] Lately—always, actually—Demos hits the roof at the suggestion that it might be slowly splitting up. However, divisions have become apparent lately. Let us look at the matter from the other side. Now that the Demos won the elections, and affairs have taken the course they that did, the parties are becoming more differentiated. The previous mutual goal—to gain power, to break the one-party system—has been achieved, and now a rather detailed differentiation of the parties is taking place, and perhaps the possible future coalitions.

[Pucnik] Listen, I imagine that I know Demos and its internal structure. Demos has been splitting from the very beginning, constantly splitting. That is to say, there are controversies, the things have not been going that smoothly in Demos. Currently, we are going through such a phase. But, you know, in my judgment this is nothing new. However, it is true that Demos will not exist forever. Demos has set itself certain tasks and if it succeeds, more or less, in implementing those talks, it

will probably lose the reasons for its existence and will disintegrate. However, at the moment Demos is not disintegrating yet. There is nothing I could add in reply to your questions. However, the tensions present are significant, but those tensions are to a great extent constructive. That is to say, things are always put in such a way that something must be improved. This would not be the position of a person who would wish to break Demos up.

[Brvar] No, I did not ask about the speculations on breaking up Demos, but rather that things have gone so far that differences are emerging even within the individual parties. Certain parties are becoming more clearly differentiated than they were in the past?

[Pucnik] Yes, tendencies for differentiation of individual parties existed before, but it is becoming more and more evident. This is perfectly normal. I do not expect that Demos will exist forever. Once, and I do not mean some distant future, Demos will be superseded. I believe that once we have fulfilled the two goals we set ourselves, the end of Demos will come, unless the political situation on the Slovene scene is such as to provide new food for Demos' survival.

[Brvar] Let us go back to the beginning again. I will not ask for names, but could you at least tell me the number of departments in which you think the ministers should be changed?

[Pucnik] Well, [Pucnik laughs] we did not speculate along those lines at all. We discussed the total concept of the work in the government. Therefore, I really could not tell you anything about the number of departments. Such analyses, you know, are not aimed against individuals. In the debate we depart and have departed from the assessment of the situation. We know that the economy will become the focal point for survival in Slovenia and that any Slovene government will primarily have to solve the economic-social problem. From this point of view, the question arises as to whether the structure of those ministries is appropriate. Perhaps it would be possible to make them resemble those in the majority of Western countries—the united economic ministry, with adequate divisions of course, and so forth. In these discussions about the system we partially also touch upon the individuals, and here Demos is always very sharp. I can assure you that we criticize anybody mercilessly; no one is a priori exempt from criticism. Of course, sometimes all this is rather stormy, but our conclusions are never hasty, because the conclusions are modulated by the six parties—we are forced to seek compromises—and, therefore, all conclusions are very moderate.

Federal Army Continues Slovene Withdrawal

*LD3007210291 Belgrade TANJUG in English
1726 GMT 30 Jul 91*

[Text] Ljubljana, July 30 (TANJUG)—The withdrawal of Yugoslav Army units and equipment from the Republic of Slovenia continues, Slovenian Radio announced on Tuesday.

Yugoslav Army units have begun handing over border posts on Yugoslavia's borders with Italy and Austria.

In keeping with the Brioni Declaration, the Slovenian border with the neighbouring countries will in future be guarded by the republican police, the radio said.

The Army today continued pulling out its equipment from the military airport Cerklje, said the radio.

Progress of Withdrawal Reported

*LD3007212891 Ljubljana Radio Slovenia Network
in Slovene 2000 GMT 30 Jul 91*

[Text] The exchange of weapons and military equipment between the [Slovene] territorial defense and the Yugoslav Army has continued in Ljubljana, Celje, and Maribor today, and within the framework of the Yugoslav Army withdrawal the procedure for taking over the border guard posts has begun on the Gorenjska stretch of the state border with Austria and Italy. The Army will remove all the equipment from these posts and the buildings will be taken over and sealed by the internal affairs organs. As we reported yesterday, 44 armored vehicles have been loaded on a train at the Logatec railroad station, but the railroad dispatches have not yet included an order to release the train. Nor is it known when and where it will go.

In addition, the [Slovene] Defense Ministry has reported that the release of Slovene men from the Yugoslav Army has begun. According to information available, 30 men have already been released from the Yugoslav Army. This happened in Belgrade, Titovo Uzice, and Pula.

Alleged Army Withdrawal From Cerklje Airport

*AU3007091591 Ljubljana Radio Slovenia Network
in Slovene 1700 GMT 29 Jul 91*

[Text] Although Lieutenant Colonel Milan Biga, commander of the Military Airport of Cerklje near Krka, does not wish to make any statements, it has become evident that the evacuation of this air base is already under way.

According to unofficial information, the transfer should end by September. A large number of military vehicles have departed from Cerklje near Krka along the main road toward Zagreb today—as they have already several times in the last few days—transporting everything from beds to taps. It is feared that the airport property will be robbed and damaged. Some 60 trucks have driven off from the airport today, accompanied by overflights of military airplanes. Several transport airplanes and helicopters have also taken off.

Several trucks were also observed outside the Army residence in Brezice. Obviously, several military families are also leaving this area.

Ljubljana Army on Continuing Slovene Actions

LD3107113191 Belgrade TANJUG Domestic Service
in Serbo-Croatian 0950 GMT 31 Jul 91

[Excerpt] Ljubljana, 31 Jul (TANJUG)—Ljubljana Army units are carrying out the preparations, more or less according to plan, for the transfer of units and commands, the information service of the Ljubljana Army command announced today.

The statement goes on to add that "during these preparations, they continue to be provoked by Slovene territorial defense units in order to generate conflicts for which, as a rule, the Army is blamed." The statement goes on to say that "on 28 July, Slovene territorial defense unit members seized from Alojz Potocnik, owner of a private service station in Strazisce near Kranj, who did work for the Army, several Army vehicles, a Pinzgauer [Austrian made light wheeled cross-country vehicle], a Tam-500, and a Fiat 1500 with spare parts and tools that were in the garage to be repaired." [passage omitted]

Assembly Debates Economic Difficulties

LD3107021491 Belgrade TANJUG in English
2038 GMT 30 Jul 91

[Text] Ljubljana, July 30 (TANJUG)—Deputy Premier of the Yugoslav Republic of Slovenia Andrej Ocvirk on Tuesday told the Slovenian parliament that the armed conflict between the Yugoslav Army and the Slovenian Territorial Defence had resulted in an interruption of economic processes in Yugoslavia.

In a parliamentary debate devoted to Slovenia's economic difficulties, Ocvirk also said that the Brioni Declaration has weakened "Slovenia's position in a bid for economic independence over the three-month transition period."

Vice-President of Slovenia's Chamber of Economy Jozef Skobrene said that the republic was facing three major economic problems: how to repair the damage caused in the recent clashes in Slovenia, and how to improve cooperation with other countries and other Yugoslav republics.

Skobrene assessed the cooperation with other Yugoslav republics as the most serious problem facing Slovenia's government and economy.

Another deputy premier, Matija Malesic, said that a "law on the protection of the victims of the war" is in the process of drafting. Under the law, the affected persons would be granted a status of war or civilian invalids.

The Slovenian Territorial Defence clashed with Yugoslav Army units following Slovenia's decision to secede, which was adopted on June 25.

Around 60 people were killed and 300 wounded in the several-day clashes.

Slovenian Finance Minister Dusan Sesok said that the republic's economy needed a one-billion-mark injection.

The Slovenian government works intensively on securing the funds, said Sesok, adding that he could not promise speedy results.

Sesok said that he did not take tragically the fact that Slovenia was no longer in Yugoslavia's monetary system and assessed that Slovenia had a sufficient amount of ready money.

Croatia

Journalists Report 'Inconceivable Horror'

LD3007141891 Belgrade TANJUG in English
1217 GMT 30 Jul 91

[Text] Belgrade, July 30 (TANJUG)—Armed clashes have for days been going on in the Yugoslav Republic of Croatia between Croatian armed forces and Serbs living there, and war correspondents speak of the "inconceivable horror" they witnessed.

The Belgrade daily BORBA writes on Tuesday that Croatian policemen in Vinkovci beat to death Stevan Milicevic (35), a Serb from Sremska Mitrovica, and inflicted serious injuries to two Belgraders.

The paper writes that Croatian policemen broke five ribs, injured both kidneys and destroyed Milicevic's spleen, took him to the Vinkovci hospital, and continued maltreating him there, as the hospital staff looked on.

He was arrested as early as July 19, and died of injuries on July 29.

Croatian policemen burnt the hair of the two Belgraders, broke their ribs, arms and legs. They, as BORBA says, were in the hospital in Brcko. The doctors treating them believe they have been taken off the train at some station near Vinkovci.

"People treaded on corpses searching for the wounded," write the paper's newsmen reporting from Banija, a region in Croatia populated predominantly with Serbs, and which was the site of fierce fighting between Serbs and Croats on Friday.

BORBA's reporters were in the frontlines. "Several thousand armed villagers-Serbs lay in the trenches on both sides of the road at the entrance of the Croatian settlement of Struga," they say.

The Serbian side, according to the reporters, forced some fifty Croats, women and older men, from the village of Zavlaka to form a living wall in front of the truck with machine-guns.

Reporters say they have learned from sources of both sides that Serbs caught three wounded members of the Interior Ministry of Croatia, took off their clothes and ordered them to run away.

"They were found dead the next morning in the cornfields," recorded the reporters.

The Croatian side accused the Serbs of committing a massacre over the Croatian policemen in the clash near Struga.

Bogdan Vajagic, commander of the armed formation of Serbs on Banija, has denied this.

"Not one member of the Croatian Interior Ministry was either massacred or had his throat cut," as the Belgrade daily VECERNJE NOVOSTI carried Vajagic's statement. They have all died in clashes, he added.

Eyewitness Accounts of Banija Fighting

AU3007131491 Paris AFP in English 1206 GMT
30 Jul 91

[Suzette Bloch report]

[Text] Kutina, Yugoslavia, July 30 (AFP)—The message was terse: "Leave, don't wait another night, from Dvor na Uni to Kostajnica, the region must be cleaned up". The orders came from Serbian nationalists, telling Croatians in a string of villages 100 kilometres (60 miles) from Zagreb to clear out.

"Serbian fighters passed the message on to my aunt who is married to a Serb," said Ivan Madjenovic, 44. So they all left, at midday, taking the strict minimum, after opening the stable doors for their animals and abandoning everything.

Now the seven villages of Struga, Zamlaca, Uncani, Golubovac, Divusa, Kozibrod and Kuljani are in Serbian hands. The terrorised villagers formed up into a column protected by armoured cars of the Yugoslav Federal Army and headed for the Croatian capital, taking the main highway from Belgrade after passing through Kostajnica, Dubica and Novska. There were more than 300 of them, in cars and trucks, with just a few blankets and clothes, some being pulled along by tractors on trestles with plastic sheeting to keep off the rain.

They got here at midnight on Monday, 60 kilometres from Zagreb (35 miles). About 200 have decided to put up at a hotel and wait until they can return home. A pallid-faced girl, her arm in plaster, was taken with a fit of trembling. The villagers' enforced flight came after fierce fighting between Serbs and Croats left at least 180 people dead in the Banija region during what the respected Belgrade paper BORBA dubbed "the bloody weekend". The most ferocious fighting was along the River Una marking the border with Bosnia-Herzegovina. "The Croats are making coffins as fast as they can for their dead," BORBA reported.

The survivors of the nightmare pieced together what had happened. Ivan Madjenovic and Nicola Judic were in Struga. "The attack began on Monday morning with mortars. Nearly 120 bombs fell on Struga and neighbouring villages in half an hour. Then the "Chetniks"

(the Croatian term for Serbian nationalists) arrived. First they took a score of hostages in Zamlaca. They put them in front of two armed trucks and used them as a human shield to get into Struga, where another dozen hostages were taken.

"Three Croat policemen were on a roof," the account continued. "They could not shoot and laid down their weapons. After being stripped and beaten, two of them had their eyes gouged out while they were still alive. Afterwards they were killed."

The Chetniks drove the hostages towards the village center. Policeman Zeljko Filipovic and villager Mato Drndelic were hidden behind a parapet. They tossed grenades at one of the Serbian trucks and it blew up.

"Three villagers as well as the two heroes who saved our lives were killed in the explosion and the Serbian response which followed," the refugees recounted as their fellow exiles nodded agreement.

The Serbs then pulled back and the Army with tanks arrived. The survivors said 12 villagers were still missing and had probably been captured and taken away.

"We don't know when we will return home," said Marica Bodlovic. "Our Serbian neighbours have stayed put. When we left, they were crying."

No Clashes Reported in Last 48 Hours

LD3007155791 Belgrade TANJUG in English
1426 GMT 30 Jul 91

[Text] Zagreb, July 30 (TANJUG)—Assistant Interior Minister of the Yugoslav Republic of Croatia Milan Brezak said today that there have been no major clashes between units of the police and the national guard with the "terrorists," as he said, in the past 48 hours in Croatia.

Speaking at a regular press conference in Croatian parliament, Brezak, however, said that "terrorist actions continue and five civilians were killed and eight wounded in the past two days."

Croatian authorities use the word "terrorists" for Serbs in Croatia who are clashing with members of the Croatian police and national guard.

Brezak did not have any reports about the fate of 37-40 citizens of the village of Struga who had been "led as hostages in front of a large group of terrorists," as Croatian television had reported in detail. It was said that the women, children and old men in the group had been "killed and even massacred," but there is still no official report about that.

The assistant interior minister also failed to provide any official reports on the results of autopsies performed on the bodies of the nine policemen who were said to have been massacred and that their throats had been cut.

The press were also given statements by witnesses and refugees from Croat-populated villages in Banija. The statements speak about "massacres and the cruelty of the terrorists," but also that the Army had saved the refugees.

Croatian Information Minister Hrvoje Hitrec today again accused the Yugoslav People's Army (JNA) of acting in coordination with the "terrorists."

Hitrec strongly condemned yesterday's visit by Yugoslav Presidency Vice-President Branko Kostic to the predominantly Serb-populated village of Borovo Selo near Vukovar, the center for the defense of the Serbian population in the eastern part of Croatia.

The police administration in Vinkovci said that two grenades had been fired last night from the village of Markusica near Vinkovci in Slavonia on neighbouring Antin. One grenade hit the Markusica-Antin railway station, and the second the bridge on the Vuka, on the Vinkovci-Osijek railway line.

Early this morning in Osijek, an explosion damaged a restaurant owned by a Serb. No one was injured, said the police of this, the biggest city in Slavonija.

Osijek Garrison Command Denies Police 'Lies'

LD3107104891 Belgrade TANJUG Domestic Service
in Serbo-Croatian 0858 GMT 31 Jul 91

[Excerpt] Osijek, 31 Jul (TANJUG)—[Passage omitted] In a statement today, the Osijek police authorities say that at 2355 last night two gun shots were fired from the [Yugoslav People's Army] Barracks in Vukovarska St in Osijek, followed 40 minutes later by four projectiles launched in the direction of Novo Tenje.

The Osijek garrison command has responded by saying that the statement by the Osijek police authorities contains "lies and disinformation" and is yet another attempt to blame the Army for an escalation in armed clashes and for increased tension in Slavonija and Baranja."

Army Rejects Osijek Accusations

LD3007141991 Belgrade TANJUG in English
1236 GMT 30 Jul 91

[Text] Sarajevo, July 30 (TANJUG)—The Yugoslav People's Army [YPA] today resolutely rejected the accusations by the Osijek city administration and described them as a "part of the elaborated tactics" of the Croatian authorities and press.

A statement by the Tuzla Corps Information Service set out these public claims that the "Army would raze Osijek," that "the commander has forbidden soldiers and officers to listen to Zagreb radio, watch Croatian television, read the non-Serbian press or communicate with civilians in the city," that "60 tanks were pointed at targets in the city."

The statement said these are only parts of the elaborated tactics for disseminating lies and fear among the citizens, among whom the authorities and the press have been instilling hatred towards the YPA members.

The truth, however, is that the Osijek authorities have through an official letter recently forbidden all schools, enterprises, sport clubs, art associations and individuals any contacts with the YPA members, as set out in the statement.

Osijek is located in central Slavonija, a region in eastern Croatia populated by Croats and Serbs.

Bloody clashes between the Croatian police and guard on the one side and armed Serbian villagers on the other have taken place in the region over the past few weeks. The YPA was coming between the conflicting sides in an effort to prevent further bloodshed.

Forces Attack Federal Airplanes Over Kostajnica

AU3007210791 Belgrade Radio Belgrade Network
in Serbo-Croatian 2000 GMT 30 Jul 91

[Dragan Bera report]

[Text] Forces of the Ministry of Internal Affairs and Guard of Croatia opened fire today on two airplanes of the Yugoslav People's Army in Kostajnica. Dragan Bera has the details:

[Bera] While the Croatian leadership attacks the Yugoslav People's Army with increasing vehemence, at about 1800 [1600 GMT] today yet another incident occurred in Banija for which the forces of the Ministry of Internal Affairs and the corps of the National Guard of Croatia stationed in Hrvatska Kostajnica are solely to blame.

Two Super Galeb airplanes of the Air Force of the Yugoslav People's Army have been flying over this crisis area all day. This is an area in which, because of the increasing concentration of forces of the Ministry of Internal Affairs and the Guard on one side and volunteers of the Seventh Banija strike division on the other, there is the danger of a continuation of last week's fighting, when dozens were killed and injured, particularly on the side of the Ministry of Internal Affairs and the Guard.

(?Established) positions in Kostajnica opened fire on the planes without any reason whatsoever, as we were told this evening by many residents of neighboring Bosanska Kostajnica. The pilots returned in the planes and dropped two bombs or missiles on the positions from which the gunfire had come and then flew away. They then carried out another reconnaissance of the area. This time no one fired at them, and they left the Una region.

The explosions were very strong and could be heard in the neighboring communes. There are no details on whether there are dead or injured because Croatian policemen have for days not allowed anyone to enter or leave Kostajnica. In the town itself there is neither

electricity nor water, and this has been the case for two days. It is not known why. There are hundreds of members of the Ministry of Internal Affairs and Guard.

Everybody that has been able to flee from this town has fled, mostly to Bosnia. Something much more significant than last week's events is obviously being prepared here, and the proximity of Bosnia, where the population's temperature is rising, figuratively speaking, complicates this situation even further.

Further on Air Attacks

*LD3007192191 Zagreb Radio Croatia Network
in Serbo-Croatian 1900 GMT 30 Jul 91*

[Text] At about 1800 tonight [1600 GMT] Yugoslav Army aircraft began to bomb and machine-gun Croatian Ministry of Internal Affairs forces and National Guard Corps members in Hrvatska Kostajnica. They also fired on private property owned by Croats, Serbs, and others.

Phone links with the town have been interrupted, but according to information so far available to police organs, two Ministry of Internal Affairs and National Guard Corps members have been killed, and several have been injured. It is understood there are about 3,000 Chetniks on the approach routes to Kostajnica, getting ready to attack the town.

Jug Dva Hit by Mortar Fire

*LD3107072691 Zagreb Radio Croatia Network
in Serbo-Croatian 0700 GMT 31 Jul 91*

[Text] Novo Tenje came under fire twice last night from the direction of Staro Tenje. On this occasion the Osijek suburb of Jug Dva on the eastern side of the town and five kilometers from Tenje was hit. It is estimated that during this attack, which lasted from 2325 to 0100, about 100 shells were fired, with seven to eight hitting the Jug Dva suburb. Jasna Colic from the Jug Dva suburb was seriously wounded and had to be operated on in the Osijek hospital. One other person has also been reported injured. Several buildings and four cars were damaged in the attack.

At about 0300 this morning there was another mortar attack from the direction of Staro Tenje. Several dozens shells were fired on that occasion. The shelling stopped at about 0400.

Further on Staro Tenja Mortar Fire

*LD3107070791 Belgrade TANJUG Domestic Service
in Serbo-Croatian 0635 GMT 31 Jul 91*

[Text] Osijek, 31 Jul (TANJUG)—The Osijek Garrison Command has announced that at 2340 last night Staro Tenje came under mortar fire from the direction of the fly over on the Osijek ring road and the Faculty of Agriculture. Shortly afterwards, mortar fire was returned from Staro Tenje in the direction of the two localities. The exchange of fire went on until 0045, when it was

stopped at the request of the Osijek police authorities and the Osijek Garrison Command.

In the same statement, the Osijek Garrison Command says that at 0305 this morning, Staro Tenje again came under mortar fire from the direction of the fly over and a nearby orchard. Retaliation soon followed from Staro Tenje. The Osijek Garrison Command intervened in order to stop the fire which threatened to escalate into the town itself with possible large-scale destruction. When its intervention failed, at 0325 the Osijek Garrison Command contacted Zlatko Kramaric, president of the Osijek municipal assembly, with an appeal to intervene. Following his intervention firing ended at 0335.

More on Aircraft Attacks

*LD3007204191 Zagreb Radio Croatia Network
in Serbo-Croatian 2000 GMT 30 Jul 91*

[Text] We now have a report from Sisak by Tanja Devcic:

[Devcic] An hour ago a news conference was held at the headquarters of the Sisak police authorities at which police chief Djuro Brodarac confirmed reports that Hrvatska Kostajnica was bombed at 1745 [1545 GMT] by two fighter-bombers.

[Begin Brodarac recording] The two fighter-bombers dropped bombs on Kostajnica and fired at the town with 20mm machineguns. In the attack two private houses and the primary school building were destroyed and the medical center was heavily damaged. We have been informed that unfortunately this attack resulted in one death; a member of the Croatian Internal Affairs Ministry was killed and two were slightly injured.

I must deny HINA's report—and I do not know who the source of it was—that Kostajnica was surrounded by 3,000 Chetniks. This is not so and no other attacks, except the one from the air, have taken place. [end recording]

[Devcic] Telephone lines with Kostajnica are down. There is neither electricity nor water in Kostajnica at the moment. The Croatian Internal Affairs Ministry has asked the 5th Army District to explain the reason for the air attack on Hrvatska Kostajnica. The explanation was the usual and transparent one: Members of the ministry first opened fire on the aircraft.

At 2045 this evening Chetnik terrorist groups attempted an attack on Komarevo not far from Sisak. This attack was repelled.

Police Update Vukovar Situation

*LD3107120191 Zagreb Radio Croatia Network
in Serbo-Croatian 1100 GMT 31 Jul 91*

[Text] The police administration in Vukovar has issued a press statement stressing that intensified movements of

Army vehicles in all directions were recorded in the municipality of Vukovar yesterday. In the afternoon, Army aircraft were overflying the municipality, first the eastern part of it and then the very town of Vukovar.

In Ilok, the Army was noticed to be moving in to the territory of the Republic of Croatia. A tank positioned itself at a place where a police vehicle had been stationed, which as we reported earlier, was destroyed by fire coming from an armored vehicle of the Yugoslav Army.

The municipality of Vukovar was not peaceful last night. Grenades were fired from the direction of Trpinja toward Borovo Naselje and there are some indications that the grenades were also fired from the Orlovjak farm in Brsadin. There have been no casualties and material damage is being assessed.

The police administration in Vukovar said in the statement that mortar fire was opened on the members of the Croatian Ministry of Internal Affairs and the Croatian National Guard Corps from 120 mm caliber mortar-launchers.

Guards Reportedly Kill Two Youths

LD3007172291 Belgrade TANJUG in English
1626 GMT 30 Jul 91

[Text] Split, July 30 (TANJUG)—Members of the national guard, a paramilitary formation in the Yugoslav Republic of Croatia, killed two youths and wounded another two early this morning, Radio Split said today.

The incident occurred at about 1:30 a.m. today local time near the village of Zmajevci, near the Croatian city of Imotski.

The guardsmen opened automatic fire on an automobile which was moving with its headlights turned off and which failed to respond to their warning to stop.

The fifth passenger in the car was unharmed. He has been arrested by the national guard.

Vojnic Police Join Krajina Internal Affairs Unit

LD3107074291 Zagreb Radio Croatia Network
in Serbo-Croatian 0700 GMT 31 Jul 91

[Davoun Matijasic report from Karlovac]

[Text] Following a decision by the Vrginmost police authorities recently, the Vojnic municipality has also decided to leave the police authorities of the Karlovac Internal Affairs Ministry. Ivan Stajduhar, head of the Karlovac police authorities, said at a news conference this morning that he had received a telex message from the Vojnic Municipal Assembly leadership on 30 July informing him that the police station in Vojnic which operated as an outpost of the police authorities of the Karlovac Internal Affairs Ministry is being renamed the Public Security Station of the Vojnic municipality and is

joining the Internal Affairs Secretariat of the Serbian Autonomous Region of Krajina. Bloro Vorkapic has been appointed head of the Vojnic Public Security Station and Toso Pajic his deputy.

Following an exodus yesterday of the Croatian population from the village of Lasinja in the Vrginmost municipality, there has been no incident in the area in the last 24 hours. Strong forces of the Croatian Internal Affairs Ministry and the National Guard Corps have been guarding the area and an appeal has been sent to the people of Lasinja, Stefanki, and Crna Draga to return to their homes.

Knin Army Corps Reports No Fighting

LD3007160591 Belgrade TANJUG in English
1456 GMT 30 Jul 91

[Text] Knin, July 30 (TANJUG)—Members of the Knin corps of the Yugoslav People's Army (JNA) today told reporters that there is currently no fighting in the territory covered by this corps, and that members of this corps will do everything to enable the peace to last until villagers harvest the wheat and complete other summer outdoor work.

Corps representatives also told the press conference in Knin that the corps would help all the people who had for any reason been forced to abandon their homes in the territory of Skradin, Lisane, Plastovo, Bratiskovac, and other places in the border region of the municipalities of Benkovac, Knin and Sibenik.

The JNA, it was said, would provide clothing, covers and food.

Representatives of the Knin JNA corps criticized Croatian news media for calling the JNA an army of occupation, because, as said, there is no reason whatever for it to be called so. This could rather be applied to the military and paramilitary formations of Croatia which come to settle in villages, upsetting the local population, it was said at the press conference.

Soldiers who are from the Republic of Slovenia will leave this corps on August 15, it was also said at the conference, although some of them wish to remain and complete their military training. The press were also informed that 11 officers, members of all nations and nationalities, have left this unit so far.

Zagreb Assembly Proposes Secession for Croatia

LD3107042891 Zagreb Radio Croatia Network
in Serbo-Croatian 2200 GMT 30 Jul 91

[Text] The Zagreb City Assembly has decided to propose to the Croatian Assembly that during its forthcoming session it proclaim the republic's secession from Yugoslavia because in this open Serbian terrorist aggression against Croatia the notion of dissociation has lost all validity. The Zagreb Assembly councillors will also launch an initiative to proclaim the Yugoslav Army an

occupying army. All Croats will be invited to leave the Yugoslav Army, and general mobilization and a state of war in Croatia will be proclaimed. The assembly proposes that a personnel analysis in the Ministry of Internal Affairs and in all vital institutions be carried out, and that all municipal assemblies in Croatia which had joined the so-called SAR [Serbian Autonomous Region] Krajina be disbanded.

National Party Calls For Defensive Actions

LD3007154891 Belgrade TANJUG in English
1319 GMT 30 Jul 91

[Text] Zagreb, July 30 (TANJUG)—Leader of the Croatian National Party (HNS) Savka Dabcevic-Kucar today requested that an "urgent turn" be carried out in Croatia's policy and that all forces in the republic be organized for defence.

Dabcevic-Kucar, one of the leaders of the mass nationalist movement in Croatia in 1971, said an undeclared war had been waged in Croatia, "whose organizers and inspirers were the state of Serbia and the Yugoslav Army," which, as she put it, must be regarded as an "occupation force."

At a HNS debate in Zagreb today, Dabcevic-Kucar said the war against Croatia was aimed at "amputation of parts of Croatia's territory." She criticized the Croatian authorities for having poorly organized the republican defence.

Croatia must seek in the outside world arms for defence, and if it fails to obtain them, it must produce them itself, as Dabcevic-Kucar set out.

Retired General Ivan Rukavina called for an internationalization of peace efforts, otherwise, he proposed "combative acts" against the Yugoslav Army.

Rukavina suggested the use of all available means, ranging "from barricades and mines to all possible makeshift means, as well as the use of all available combat equipment."

Spokesman on Insuring Reporters' Safety

LD3007184991 Belgrade TANJUG in English
1622 GMT 30 Jul 91

[Text] Belgrade, July 30 (TANJUG)—Deputy Secretary in the Information Secretariat of the Yugoslav Government Mustafa Cengic today said that this service would "do its utmost so that the respective organs in the republics and the federation take over responsibility for the personal safety and unhindered work of reporters."

In his statement to TANJUG, Cengic also said that "the manoeuvring space for the activities of this secretariat" was limited.

The federal law on information has been suspended in the Yugoslav republics of Slovenia and Croatia and some of its articles are being violated in the other republics, Cengic explained.

Speaking about the death of SUEDEDEUTSCHE ZEITUNG reporter Egon Scotland in the Yugoslav Republic of Croatia last week, Cengic said it was a "tragic epilogue of the situation which the Yugoslav Government had been trying to prevent."

Scotland, 43, was shot in the village of Prekopa on July 26, in the central Croatian region of Banija, when he was trying to leave the site of a fierce clash between armed units of Croatia and local Serb citizens in his car which had a press sign.

"The press sign has not meant anything for a long time to the people who are in power, who have turned reporters into fighters," Cengic said.

Minister Says Serbia Stealing Grain, Livestock

LD3007141791 Belgrade TANJUG Domestic Service
in Serbo-Croatian 1145 GMT 30 Jul 91

[Text] Zagreb, 30 Jul (TANJUG)—The Republic of Serbia is stealing the harvest and livestock in the Republic of Croatia. This accusation was made by Croatian Agriculture Minister Ivan Tarnaj today at a news conference for domestic and foreign journalists in the Assembly of the Republic of Croatia.

Tarnaj stated that in the eastern parts of Slavonija, mostly in the area of the Osijek food processing combine where harvesting is going on, the harvest and livestock are being seized and taken to Vojvodina. According to Tarnaj, this is happening near Dalj, Erdut, and in a triangular area between Osijek, Vukovar, and Vinkovci.

Tarnaj adds that the harvest has been gathered in approximately 66 percent of Croatia. More than 1 million tonnes of wheat have been harvested, but terrorist attacks and bad weather are hampering the harvest in other areas. Despite this, Croatia will have a surplus of approximately 250,000 tonnes of grain.

Mesic Walks Out of Presidency Session

AU3007142791 Ljubljana Radio Slovenia Network
in Slovene 1330 GMT Jul 91

[Text] We have just learned in Belgrade from sources close to the Croatian member of the state Presidency that Stipe Mesic, president of the SFRY Presidency, has walked out of today's expanded session of the Presidency and has left for Zagreb.

The reason for this step was a proposal put forward by some members of the Presidency to set up a commission that will supervise a cease-fire in Croatia. This would be a state commission consisting of the federal secretary for

national defense, the federal secretary for internal affairs, and the federal secretary for justice and administration.

Complications arose over the issue of who should lead this commission. Someone proposed that this post be assumed by Dr. Branko Kostic, vice president of the SFRY Presidency. President Mesic replied that Kostic is not appropriate for such a post because of his position on Croatia, particularly after the visit he made yesterday to Borovo Selo, where he only met with Serbs and extended his support only to Serbs.

As we have unofficially learned from Croatian sources, a vote on whether Branko Kostic should assume this post followed. Stipe Mesic and Dr. Janez Drnovsek voted against it. The remaining six members of the Presidency voted in favor. The session of the SFRY Presidency is continuing and is chaired by Vice President Branko Kostic.

Djodan Hopes for Western Support

AU3107082791 Vienna DIE PRESSE in German
31 Jul 91 p 3

[Interview with Croatian Defense Minister Sime Djodan by Wolfgang Boehm in Zagreb; date not given: "The Serbs Get Weapons"; first paragraph is DIE PRESSE introduction]

[Text] Zagreb—While the disputed Croatian Defense Minister Sime Djodan was giving an interview for DIE PRESSE, government circles said that Djodan must leave the government today because of his all-too-frank statements.

[Boehm] Do you think that the conflict in Croatia can still be solved by peaceful means? Or will your republic intervene militarily?

[Djodan] This is a dangerous question. Of course, we want to solve our problems peacefully, but this is impossible because of the Serbian dominance in the Army. Belgrade wants to settle the conflict by military means.

Belgrade is trying to establish a Stalinist-type centralist system by force, naturally under Serbian rule. The bandits, who are currently engaging in activities in Croatia, are supported by parts of the Army—in particular by General Adzic, who hates the Croats. As is known, his family was killed by Croats.

[Boehm] How strong is Croatia's defense force?

[Djodan] We are able to put up about 100,000 men. However, the troops are not well equipped. The Federal Army has 400 planes and 4,000 tanks. The Muslims, too, are willing to fight against the Serbs. However, we do not get any materiel, because other countries are currently refusing to supply us with weapons. One still hopes for a peaceful solution.

Of course, we also want a solution that is brought about by peaceful, democratic means. However, if Serbia attacks Croatia, we very much hope that the western states will support us.

Serbia has repeatedly provoked us so as to shift the blame for these clashes to us. If we do not let ourselves be provoked, Europe will help us, I think.

[Boehm] Would the establishment of a peacekeeping force help you?

[Djodan] Yes, this peacekeeping force could safeguard the borders.

[Boehm] Which borders?

[Djodan] The border between Croatia and Serbia in the north as well as the border between Serbia and Bosnia-Herzegovina in the south. In this way the parties to the conflict could best be kept apart. Europe must be interested in preserving the economy in our country. If the Serbian minority no longer received supplies from Belgrade and were not under the influence of Belgrade's propaganda, there would finally be peace; 90 percent of these people are against the fighting. Serbia will not be able to get through this situation, anyway. The Serbian economy is ruined. The war does not leave Belgrade any way to get out of the economic crisis.

[Boehm] Over the past few days there have been repeated reports about the mysterious shipment of 30 tonnes of military materiel that is said to be in the port of Bar on the southern Adriatic coast. Do you have any information about whom these weapons are intended for?

[Djodan] We assume that these shipments from Lebanon are intended for the illegal troops formed by Serbian nationalist leader Vuk Draskovic. There are many indications of that.

[Boehm] Where does Draskovic get the money from?

[Djodan] From loans. And Lebanon needs money to reconstruct the country.

[Boehm] Is there any proof for your assertion?

[Djodan] No, at the moment we do not have any proof. There are not even pictures of this shipment available.

Serbia

Austria's Jankovic on Serbia 'Threatening Peace'

LD3107083391 Belgrade TANJUG in English
0746 GMT 31 Jul 91

[Text] Belgrade, July 31 (TANJUG)—Austrian State Secretary for European Integration Peter Jankovic stated that 'Slovenia's secession does not threaten the principle of the inviolability of European borders,' but that this is being done by 'Serbia in its attempt to change Yugoslavia's internal borders.'

In the event of the secession of the Yugoslav Republic of Slovenia, the borders remain the same and simply a new state is born, while the Yugoslav Republic of Serbia is trying to change the republican borders. Jankovic said in an interview carried today by the Belgrade daily BORBA. 'This is in opposition to the Conference on Security and Cooperation in Europe (CSCE) and as can be seen, is threatening peace,' he added.

The Yugoslav and world media have recently reported how, Jankovic, who is Chancellor Franz Vranitzky's advisor, criticized Austria's policy towards the Yugoslav crisis as being 'one-sided and pro-Slovenian'.

Jankovic in an interview for BORBA, however, said that it is not true he criticized the Austrian Government's policy, but rather that in an unofficial talk he told reporters that 'some in Europe interpret our policy this way, i.e. as partial and pro-Slovenian.'

Jankovic, Austria's former foreign minister, pointed out that at the level of Austrian provinces 'there is rooting' as 'some officials are setting out demands for the immediate recognition of Slovenia and Croatia.' 'We do not wish to do this, as this would hamper talks in Yugoslavia,' he underscored.

Jankovic said that Austria has long wanted to have 'a dialogue with Serbs, but Belgrade has long had an aversion to us.'

Serbian Leaders Claim Croatia Waging War

LD3007211391 Belgrade TANJUG in English
1820 GMT 30 Jul 91

[Text] Belgrade, July 30 (TANJUG)—Vice-Presidents of the Assembly of the Yugoslav Republic of Serbia Pavic Obradovic and Borivoje Petrovic said today that "war is waged on Serbia already" and that the republic was "ready to defend itself if war is forced upon it."

Speaking at a press conference in the Assembly of Serbia, Obradovic said that "the next step should be taken in the current official stands of Serbia" because Croatia is already waging a war against it, without previously declaring it "for propaganda reasons."

Obradovic assessed as a "pure fabrication that war is waged on Yugoslavia and the Yugoslav People's Army (YPA)," adding that war is not declared against Serbia because "it would mean aggression," but also for "tactical reasons, in order to achieve the element of surprise."

Obradovic, pointing out that he was presenting his personal opinion, said that "the time has come for Serbia to adopt a decision recognizing the full autonomy of the region of Krajina and parts of Slavonija, Baranja, and western Srem."

"Such a decision would be the best way to help the Serbian population in Croatia in their most difficult days," he said.

In these parts of the Republic of Croatia, which are populated predominantly by Serbs, units of the Croatian police and its paramilitary formation, the national guard, have been engaged in armed clashes with the Serbian population since May this year.

Assembly Vice President Borivoje Petrovic also underlined that Serbia was "ready for war if it is forced upon it, because it will be forced to defend itself."

Petrovic underscored that in that case, "Serbia would defend the Serbian people in Krajina, Baranja, western Srem and Slavonija."

"The consideration and acceptance of the determination of the Serbian people in the Serbian autonomous region of Krajina, eastern Slavonija, Baranja, and western Srem to live in one state does not mean that it is a desire to create Greater Serbia, but to avoid a repetition of Jasenovac," Petrovic specified.

"All political parties should rally around such a national program of Serbia," he said.

Petrovic assessed that it was a mistake that the National Assembly did not adopt such a program, although it had been obliged to do so.

Jasenovac was a concentration camp in the Quisling independent state of Croatia during World War Two, in which over 700,000 Serbs, but also Jews and Romanies, were exterminated.

Number of Serbian Refugees From Croatia Increases

LD3007173391 Belgrade TANJUG in English
1441 GMT 30 Jul 91

[Text] Belgrade, July 30 (TANJUG)—The number of Serbian refugees from the Republic of Croatia increased today to 29,600, the Red Cross of Serbia said.

There are 17,900 registered refugees in the Serbian Province of Vojvodina, 11,700 in Serbia proper and 24 in the Kosovo.

Yesterday, 551 Serbs fled the crisis-hit areas in Croatia.

Martic Deems Krajina Situation 'Quite Tense'

AU3107101491 Belgrade RTV Sat TV
in Serbo-Croatian 1730 GMT 30 Jul 91

[Slobodan Rakovic report]

[Excerpt] It has been an unusually quiet day in Banija. There was some minor shooting last night on barricades in Dvor na Uni, which is a daily occurrence in war time.

The only incident today was the blockade at the war headquarters in Dvor na Uni by members of the special units of the Serbian Autonomous Region of Krajina. According to the headquarters' spokesman, (Marijan Jerosevic), it is believed that the terrorists attacked the

headquarters in order to eliminate the communal war leadership. We could not find out whether this was a false alarm or real.

The Croatian leadership has used the two-day truce to bring in reinforcements of 5,000 mercenaries to the region of Glina and Kostajnica.

We asked Milan Martić, the man mainly responsible for this field, what the total security situation is like on the territory of the Serbian Autonomous Region of Krajina:

[Martić] You see me here again in the region of Banija and Kordun, together with the captain and the elite unit. I would say that the whole situation is quite tense. As far as we are concerned, I think that nothing can deceive us, be it the decisions of the Presidency or the Croatian leadership. We know what we have to do. The fact that the leadership has made a decision on a truce, we know that this is only a trick because, as you see, there was shooting last night and this morning, and this has nothing to do with a truce.

They probably needed a truce in order to strengthen their ranks and to bring in technical equipment. According to our information, they have brought in helicopters and they are now bringing in tanks. We know this. Therefore, we are in favor of a truce and, in any case, we do not want war, but this truce can only start when they withdraw from the territory of the Serbian Autonomous Region of Krajina. [passage omitted]

Assembly Adopts Ownership Transformation Law

LD3107022191 Belgrade TANJUG in English
2346 GMT 30 Jul 91

[Text] Belgrade, July 30 (TANJUG)—The parliament of the Yugoslav Republic of Serbia today adopted a law on ownership transformation which lets firms decide for themselves whether they want to be transformed into firms with mixed or private capital.

Under the law, the republic will check through a special agency on the estimated value of the socially-owned firm which is being sold and employees will be given an opportunity to buy shares at a lower price.

The law on transformation of socially-owned capital is necessary for the continuation of the economic reform in Serbia and the securing of the inflow of capital, said Oskar Kovac, a prominent economist and a deputy of the ruling Socialist Party of Serbia.

In the several-hour debate in parliament, which is being boycotted by most major opposition parties, there were opinions that the law will enable machinations and theft of state capital.

The deputies of the two leading opposition parties—the Serbian Renewal Movement and the Democratic Party—several days ago decided to partially boycott the parliament due to their dissatisfaction with its work and

the refusal of Serbian President Slobodan Milosevic to form a government of national salvation.

The Serbian parliament today also decided that the 70th anniversary of the death of the first king of Serbia, Peter I Karageorgevich, will be formally marked on August 16.

The parliament decided that the remains of George Karageorgevich, the oldest son of King Peter and the only member of the royal family who was allowed to live in Belgrade even after World War II and the victory of communism in Yugoslavia, will be buried in the family vault of the last Serbian dynasty on Oplenac Hill, near the town of Topola.

The Serbian parliament decided that the republican government will draw up a law on the building of a museum to the Serbian victims of the crimes of the independent State of Croatia.

The independent State of Croatia was a Quisling formation on Croatian soil during World War II whose army, the Ustasas, committed mass crimes against Jews, Serbs, Romanies and anti-fascist Croats.

Dailies Comment on Sarajevo Rally

LD3007101691 Belgrade TANJUG in English
0936 GMT 30 Jul 91

[Text] Belgrade, July 30 (TANJUG)—The Zagreb daily VJESNIK reporting today on a peace rally held in Sarajevo on Sunday says that 'the organizers do not wish to realize that Yugoslavia no longer exists and that this fact cannot be altered.' The participants in the rally shouted slogans for peace and in support of Yugoslavia.

Some 100,000 citizens gathered for the peace rally but most of them were from Sarajevo and some parts Bosnia-Herzegovina, as VJESNIK assesses, 'which does not diminish its significance', particularly for this republic.

The Belgrade daily BORBA, however, writes the rally in Sarajevo gathered people from 'Bosnia-Herzegovina, Belgrade, Skopje, Titograd...' BORBA recalls that U.N. Secretary-General Perez de Cuellar sent a message to the organizers of the peace rally.

The rally for peace was organized by the independent Yugoslav television station Yutel, which broadcasts its program in Sarajevo, the capital of the Yugoslav Republic of Bosnia-Herzegovina. Yutel's news broadcasts with reports from all parts of Yugoslavia, under decisions of the state televisions of Slovenia and Croatia, are not carried in these republics.

Live television coverage of the rally, apart from Television Sarajevo, was carried by Belgrade's independent television station Studio B and Television Macedonia.

Vojvodina Hungarian Leader Agoston's Letter

*AU3007180691 Budapest UJ MAGYARORSZAG
in Hungarian 26 Jul 91 p 4*

["M.M."-signed report: "Letter on the Woes of Vojvodina Hungarians"]

[Text] In a letter addressed to Serbian Prime Minister Dragutin Zelenovic, Andras Agoston, chairman of the Democratic Union of Vojvodina Hungarians [VMDK], writes that the situation of the Hungarian national minority in Serbia is becoming increasingly difficult as a consequence of the activities of federal authority organizations in the Autonomous Province of Vojvodina.

The VMDK chairman also points out that the financial dependence of the mass media and the authorities' intolerant attitude have made it impossible for the editorial staff to report in accordance with the interests of the Hungarian community in Serbia—and this is contrary to the editorial staff's desire. The letter deals with the financial issues that threaten the existence of national minority organizations and the national minority press. In connection with this, Agoston refers to an attempt to dispossess national minority organizations of some of their property (or to alter the function of this property), using the excuse that the property was being privatized.

The letter also deals with the language law passed by the Serbian parliament. Hungarian and international public opinion should be informed of the content of this law because it recreates a situation that is reminiscent of the old Yugoslav dictatorship. The use of Hungarian place names is being officially banned, and only Serbian place names can be used, with Cyrillic spelling.

Andras Agoston emphasizes that the VMDK will resist the implementation of such a law with all the democratic means available. At the same time, Agoston asks the Serbian prime minister to appoint a political working group to discuss the problems of the Hungarian national minority.

Former Policemen Said To Recruit for Croatia

*AU3007204191 Belgrade RTV Sat TV
in Serbo-Croatian 1730 GMT 30 Jul 91*

[Milivoje Mihajlovic report from Pristina]

[Text] Some Albanians from Kosovo are obviously more prepared to fight for the interests of Croatia than for those of Serbia, their place of residence. Those who join the ranks of the Croatian police and the corps of the National Guard of Croatia are not uncommon. This is what our colleague from Pristina Milivoje Mihajlovic has to report about this:

[Mihajlovic] Ever since the Krusevac police broke up the channel for Albanians to go to Croatia to be employed as policemen, there has been talk in Kosovo and Metohija about other ways for Tudjman's soldiers from this region to leave here. Well-informed circles claim that young Albanians from western Macedonia and Kosovo are now going by bus and car through Titograd, Niksic, and Trebinje to reach Dubrovnik, where a new center has been set up to receive them into the Croatian Guard. According to the same sources, another route goes through Sarajevo to Kardeljevo where, recruitment is carried out.

The buses mainly travel at night and along with the special routes, a large number of Albanians use the regular ones, too. Members of the leadership of the trade union of former Albanian militiamen claim that an insignificant number of their colleagues are employed in the Ministry of Internal Affairs of Croatia and that the Croatian authorities would rather employ Albanians without experience because they are considered easier to manipulate. The work regarding the acceptance of Albanians into the Ministry of Internal Affairs of Croatia has been organized by the former minister of the Kosovo police, Jusuf Karakusi, who has been living in Zagreb since last July, and by the president and most of the members of the former Kosovo government. Of the well-known Kosovo policemen, one of the first to be employed in the Ministry of Internal Affairs of Croatia was the former security head in Urosevac, (?Juz Gasi).

Albanians have been leaving for the Croatian Guard through Janjevo connections, headed by Vinko Dominkovic, himself a member of the Guard. The Albanians are promised pay of up to 3,000 German marks, but their families in Kosovo and Metohija increasingly believe that on the day that wages are paid, the Albanians are sent into action where most of them die.

It is now being openly said here that many of the dead are shot in the back.